

FBIS

DAILY REPORT

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FOREIGN MINISTRY HOLDS WEEKLY PRESS BRIEFING

'Strong Demand' Given SRV

OW230820 Beijing XINHUA in English 0800 GMT 23 Jan 85

["China Urges Vietnam to Stop Provocations" -- XINHUA headline]

[Text] Beijing, January 23 (XINHUA) -- China today strongly demanded that the Vietnamese authorities "stop military provocations and incursions so that the tension along the Sino-Vietnamese border will be eased and the normal production and life of the border inhabitants can be restored." The demand was contained in a statement read by a Foreign Ministry spokesman at a weekly news briefing here this afternoon. Full text of the statement follows:

Since last November, while launching a new round of dry-season offensive along the Kampuchean-Thai border, the Vietnamese authorities have intensified their military provocations and incursions in areas along the Sino-Vietnamese border. The Vietnamese troops have been shelling Laoshan and other areas of Yunnan Province of China almost every day. Altogether, they have fired more than 137,000 shells of various types and made more than 40 sneak raids and attacks on the platoon, company or battalion scale in an attempt to occupy Chinese territory. They have met with head-on counter-attacks by the Chinese frontier forces.

At the same time, the Vietnamese troops have fired shells at many other border areas in Yunnan and Guangxi of China, disrupting the normal production and life of the border inhabitants there. The Vietnamese side has also frequently dispatched spies and agents across the border to carry out reconnaissance and sabotage activities, lay mines, make sneak raids upon the posts of the Chinese frontier forces and militia, kidnap innocent border inhabitants and loot them of their belongings. They have killed and wounded several hundred Chinese border inhabitants and caused heavy losses to the life and property of the local people.

Over the past few days, while putting up a smokescreen by suggesting the "Spring Festival ceasefire" on the one hand, the Vietnamese authorities have stepped up their military attacks on Chinese border areas on the other, sometimes making as many as nine attacks and firing thousands of shells in one single day. This has thoroughly exposed the hypocritical and deceptive nature of the so-called "Spring Festival ceasefire" propagated by the Vietnamese authorities.

In face of the reckless provocations by the Vietnamese authorities, the Chinese frontier forces were forced to counter attack in self-defense and gave the troublemakers and invaders their due punishment. We strongly demand that the Vietnamese authorities stop forthwith their military provocations and incursions so that the tension along the Sino-Vietnamese border will be eased and the normal production and life of the border inhabitants can be restored.

Taiwan Condemned for Liu Murder

OW230825 Beijing XINHUA in English 0808 GMT 23 Jan 85

["Taiwan Involvement in Murder of Liu Yiliang Condemned" - XINHUA headline]

[Text] Beijing, January 23 (XINHUA) -- A Chinese Foreign Ministry spokesman today strongly condemned Taiwan intelligence departments involvement in the murder of Mr. Jiang Nan (Liu Yiliang). He described the murder as a mean conduct of terrorism.

Speaking at a weekly news briefing here this afternoon, the spokesman said: "All the honest people are shocked and indignant at the involvement of the intelligence department of Taiwan in plotting the murder of the Chinese American Mr. Jiang Nan (Liu Yiliang). We strongly condemn this mean conduct of terrorism. According to our knowledge, Mr. Jiang Nan's relatives on China's mainland have once again urged the U.S. Government to make a thorough investigation into the case and make sure that the assassins be severely punished and justice done."

Bandung Conference Anniversary

OW230831 Beijing XINHUA in English 0825 GMT 23 Jan 85

["Chinese Foreign Ministry Spokesman on Bandung Conference Celebrations" -- XINHUA headline]

[Text] Beijing, January 23 (XINHUA) -- A Chinese Foreign Ministry spokesman said here today that China would give a positive consideration to invitation from Indonesia to celebrations of Bandung Conference anniversary when the official invitation was received. But, he said, the Chinese side "has not yet received any official invitation."

The spokesman made these remarks at a news briefing here this afternoon in response to the question whether China had received an invitation as Indonesian Foreign Minister Mochtar Kusumaatmadja said in New Delhi that celebrations would be held in Jakarta in April this year to mark the 30th anniversary of the Bandung Conference and that China would be invited to send delegates.

PRC TRADE, FOREIGN INVESTMENT ON INCREASE

Import, Export Value Hits Record

OW221555 Beijing XINHUA in English 1512 GMT 22 Jan 85

[Text] Beijing, January 22 (XINHUA) -- China's total value of imports and exports in 1984 reached a record 49.97 billion U.S. dollars, a 22.7-percent increase over 1983, a spokesman for the Ministry of Foreign Economic Relations and Trade announced here today. At a news briefing here this afternoon, Huang Wenjun said that the export value for 1984 was 24.44 billion U.S. dollars, and the import value was 25.53 billion U.S. dollars, increases of 10.1 percent and 37.8 percent, respectively, over the figures for 1983.

He attributed the rapid growth of trade to the bumper harvest and steady development of industrial production, which provided sufficient commodities for export. At the same time, the demand for some goods on the domestic market soared as construction of some key state projects started, technical transformation of existing enterprises was speeded up and construction of special economic zones intensified last year.

He said that last year China maintained trade relations with more than 170 countries and regions. Trade with Japan increased by 36.3 percent, that with Hong Kong went up by 27.7 percent, with the United States, by 50.6 percent, and with the Soviet Union by 73.3 percent, as compared with 1983.

Along with the development of domestic industrial and agricultural production, commodity composition showed changes. The export of agricultural produce and farm by-products increased, and imports of the same decreased. Big increases were registered in the import of advanced technology, complete sets of equipment, automobiles, rolled steel, chemical fertilizers chemical raw materials, timber, synthetic fibers, television sets and sound equipment.

More Cooperation Contracts Signed

OW221724 Beijing XINHUA in English 1606 GMT 22 Jan 85

[Text] Beijing, January 22 (XINHUA) -- China signed 1.68 billion U.S. dollars worth of contracts for construction projects and labor service cooperation abroad in 1984 -- up 82.6 percent over 1983, a spokesman for the Ministry of Foreign Economic Relations and Trade announced at a news briefing here today. Huang Wenjun said, by the end of 1984, more than 47,000 Chinese technicians and workers were engaged in construction of projects abroad. They earned 550 million U.S. dollars for the country in 1984, a 22 percent increase over 1983.

Huang said that 12 more engineering construction companies for overseas contracting were set up in 1984, bringing the total of such companies to 54. Another 47 non-trade joint ventures abroad were approved and established in 1984. Some 113 joint ventures of the kind have been approved since 1980. Facts show that this business is an effective way of expanding China's economic relations and technical exchanges with foreign countries, he added.

Foreign Investors Attracted

OW221544 Beijing XINHUA in English 1506 GMT 22 Jan 85

[Text] Beijing, January 22 (XINHUA) -- China soaked up 2.66 billion U.S. dollars in foreign investment last year, 34 percent more than in 1983, a government official said here today. In all, 4.8 billion U.S. dollars could be attracted by all the contracts and agreements signed with foreign businesses during the year, Foreign Economic Relations and Trade Ministry spokesman Huang Wenjun told a press conference.

This total, which involves investment in joint ventures, other co-operative business arrangements and wholly foreign-owned enterprises, was 40 percent higher than the total value of agreements signed in 1983. Huang said 700 joint ventures were approved last year -- more than the total established over the previous five years. They involved foreign investment of 1.1 billion dollars. Since 1979, China had attracted 17.3 billion dollars in various foreign funds.

An important part of the country's open policy was to absorb foreign capital to aid the modernization drive, said Huang. Increased investment was being encouraged by efforts to improve economic laws, the signing of agreements on investment protection and the avoidance of double taxation, the relaxation of tax regulations and the granting of permission for joint ventures to sell products in China.

Huang said Sino-foreign joint ventures had so far been established in 27 of the 29 provinces, municipalities and autonomous regions on the mainland, and most of them already in operation had yielded good results. Some had made profits within their first year. Seventy-four wholly foreign-owned businesses have been set up over the past few years -- 26 of them being established last year.

Bank Boosts Foreign Ties

OW221251 Beijing XINHUA in English 1035 GMT 22 Jan 85

[Text] Beijing, January 22 (XINHUA) -- The Agricultural Bank of China will borrow more abroad and go into business with foreign counterparts in 1985, said a bank official in an exclusive interview with XINHUA today.

This underlines the bank's determination to help diversify the rural economy now that the government encourages specialization and concentration of farmland. "We need more cooperation with our foreign counterparts in order to gear up to the support for the rural economy," said bank vice-president Zhang Wenqi, just back from tours of some Southeast Asian countries.

The bank has started dealing in foreign exchange in the Shenzhen Special Economic Zone and will soon do so in the Zhuhai and Xiamen zones, Zhang observed. New services include foreign currency savings deposits by individuals and businesses and foreign currency loans to enterprises, she said. Private deposits made in Shenzhen since last September exceeded four million Hong Kong dollars, she added.

To absorb more foreign funds for technology and equipment imports, Zhang said, the bank will apply for permission to operate these services in the 14 coastal cities opened to foreign investors and in some interior provincial capitals. The bank borrowed 75 million U.S. dollars at low interest from the World Bank and the Rome-based International Fund for Agricultural Development (IFAD) in 1984 to help peasants in Guangxi and Hubei develop crop cultivation and livestock and fish raising. Zhang Wenqi said her bank would borrow more abroad this year.

The vice-president listed cooperation projects the bank planned with foreign banks in 1985 -- building hotels, exporting flowers, and importing pedigree dairy cows and equipment to process potatoes and fur and make wine.

In the past two years, the bank has hosted study tours of bankers from the FAO, the Asian and Pacific Regional Agricultural Credit Association (APRACA), the Economic and Social Commission for Asia and the Pacific (ESCAP), the ASEAN Banking Council, France, Japan and Pakistan. In line with government policy, Zhang said, the bank has sent workers to Italy, France, the U.S., Romania and Japan on short-term training programs.

1984 Foreign Trade Figures

HK230354 Hong Kong AFP in English 1444 GMT 22 Jan 85

[Text] Peking, Jan 22 (AFP) -- Foreign investment in China expanded 34 percent last year over 1983 to reach a total of 2.66 billion dollars as Chinese authorities approved the creation of some 700 joint ventures, Huang Wenjun, a spokesman for the Foreign Trade Ministry, said here today. Mr. Huang told a press conference that of the 74 wholly foreign companies operating in the country, 26 were established in 1984.

The value of China's foreign trade last year rose to a record 49.97 billion dollars, a spurt of 23 percent over 1983, Mr. Huang added. Imports rose 37.8 percent to 25.53 billion dollars while exports were up 10.1 percent at 24.44 billion dollars, leaving a deficit of 1.09 billion.

There was a pronounced drop in grain imports, he said, reflecting the country's bountiful harvest last year, while there was by contrast a sharp increase in purchases abroad of high technology, industrial equipment, automobiles, steel and synthetic fibers. China became a cotton exporter in 1984, according to Mr. Huang, and saw an increase in foreign sales of cooking oil, agricultural goods and petroleum products.

Mr. Huang said China's top four trading partners last year were Japan, Hong Kong, the United States and the European Economic Community (EEC). Trade with Japan was valued at 12.373 billion dollars, a hike of 36.3 percent over 1983, with imports amounting to 7.055 billion dollars and exports 5.318 billion. With Hong Kong, there were commercial exchanges worth 8.54 billion dollars, an increase of 27.7 percent over the previous year. Imports were at 3.18 billion dollars while exports came to 5.36 billion. Trade between China and the United States also registered a clear improvement, increasing 50.6 percent to 6.065 billion dollars.

China purchased goods worth 3.784 billion from the United States, while selling products valued at 2.281 billion dollars in return. But with the European Community, trade slumped 8.44 percent over 1983 to 5.459 billion dollars. Imports came to 3.364 billion dollars, with exports valued at 2.095 billion. Mr. Huang attributed the drop partly to the economic crisis affecting Western European countries. With the Soviet Union, finally, trade shot up 73.3 percent in 1984 to 1.168 billion dollars, Mr. Huang said.

He said the value of Chinese industrial and labor contracts with foreign countries amounted to 550 million dollars last year, principally as the result of activity in Iraq, Iran, Algeria, Kuwait and Hong Kong. He said China was paying the salaries of 47,000 Chinese working abroad under contract.

ROUNDUP ON U.S.-USSR 'SQUABBLING' ON ARMS TALKS

OW230302 Beijing XINHUA Domestic Service in Chinese 0909 GMT 21 Jan 85

["Roundup" by XINHUA reporter Tan Xiushan: "A Battle of Words Prior to U.S.-USSR Negotiations" -- XINHUA headline]

[Text] Moscow, 20 Jan (XINHUA) -- Following the release of the communique on the U.S.-USSR Geneva talks, a heated dispute has broken out between Washington and Moscow on the interpretation of the communique and the subjects to be discussed in future negotiations.

Since the Geneva talks, U.S. President Reagan and other ranking officials have unanimously indicated that the United States would continue its space weapons research and experiments. Deputy Secretary of State Dam said that the U.S. space program fully complies with the stipulations of the treaty restricting antiballistic missiles. McFarlane, national security adviser to the U.S. President, emphatically pointed out that "the Soviet Union is asking the United States to abandon its antisatellite program while keeping its own similar program intact" and it is "unfair." U.S. Secretary of State Shultz said the United States will not abandon its research on defensive space weapons and it will try to make the Soviet Union understand this.

Meanwhile, TASS released a commentary charging that the U.S. position of not abandoning research on space weapons is a "free interpretation" of its obligations in future negotiations. TASS also noted that space weapons are, in fact, "offensive" weapons whose purpose is to "escape retaliation in the event of a nuclear strike on the other side."

The weekly ZA RUBEZHOM noted that the United States claims that now it is merely researching space weapons, but "who can guarantee that once the United States has established a space shield (with strategic missiles standing behind it), it will not use this system to pressure and blackmail the Soviet Union in the pursuit of world dominance?" The weekly NOVOYE VREMYA noted that U.S. insistence of developing space weapons is a "manifestation of adventurism in the nuclear space age," that the U.S. "plan cannot but be described as presumptuous" and that the United States is attempting to use the plan as "a trump card to exert pressure in future negotiations." The Soviet press quotes Gromyko as having said that it is impossible to consider either the question of strategic weapons or the question of medium-range nuclear weapons without considering the question of preventing the arms race in space. If there were no advancement on the issue of space weapons, it would be superfluous to discuss the possibility of reducing strategic weapons. If the United States were to violate the agreement on the question of preventing an arms race in space, the consequences would be most grave and talks would be torpedoed.

In countering the above viewpoints, Shultz said that both the United States and the Soviet Union hold that the three questions are interrelated. However, progress in any of the three areas should not be linked to progress in another. He also pointed out that during the Geneva talks, Gromyko did not mention the possibility of canceling the talks if some conditions cannot be met.

The Soviet Union warned that the talks will be jeopardized if the United States continues deploying medium-range nuclear weapons in Western Europe, and that British and French guided missiles must be taken into account. However, the United States has paid no attention to these warnings and has continued urging its NATO allies to continue the deployment of medium-range nuclear weapons until the United States and the Soviet Union reach an agreement on such weapons.

All this squabbling between the United States and the Soviet Union shows that each side has its own interpretation of the joint Geneva agreement, their positions on many issues are diametrically opposed, and each has its own plan as to the objectives of the talks. This cannot but cast a shadow on the prospects of future negotiations.

FURTHER REPORTAGE ON MOTHER TERESA'S VISIT

Meets Deng Xiaoping's Son

OW221416 Beijing XINHUA in English 1317 GMT 22 Jan 85

[Text] Beijing, January 22 (XINHUA) -- A leading Chinese official working with the handicapped met here today with Mother Teresa and said that they have the same purpose in helping handicapped people although they adhere to different ideologies.

Deng Pufang, deputy director-in-chief of the China Welfare Fund for the Handicapped, told her: "I'm glad to meet a great person who has done so much for the poor."

Deng, a handicapped person himself and elder son of Deng Xiaoping, told the Indian Nobel Peace Prize winner that his fund aimed at promoting help for the handicapped by improving pertinent laws and regulations.

He estimated that there are 20 million handicapped people in China.

Deng said that there were tens of thousands of welfare centers and old folks' homes run by local administration throughout the country, and several million homes for the elderly have also been set up by local governments and collectives in the countryside. At the same time, he added, the government is running 1,000 welfare factories, and collective-run welfare factories reached 8,000 in 1982. In many Chinese cities, all handicapped people who can work have been employed, he said.

Expressing her admiration, Mother Teresa wrote in the fund's visitors book: "Let's thank God for all the good work that is being done in this institute -- and let us remember: Works of love are works of peace."

Meets Kang Keqing

OW221515 Beijing XINHUA in English 1457 GMT 22 Jan 85

[Text] Beijing, January 22 (XINHUA) -- Kang Keqing, vice-chairman of the Chinese People's Political Consultative Conference National Committee, met with Nobel Peace Prize winner Mother Teresa this afternoon at the Great Hall of the People.

Kang, also chairman of the Chinese People's National Committee for the Defense of Children, spoke highly of Mother Teresa's achievements over the past 35 years in helping the poor. She also gave an account of the care rendered by the Chinese Government and the whole society to handicapped people in employment, medical treatment and cultural education.

Mother Teresa said, since she came here two days ago as a guest of the Chinese Patriotic Catholic Association, she had been impressed by the care for the old and the handicapped.

"This morning I visited a home for the aged in the countryside," she said. "It was so nice and beautiful. I met a 93-year-old man there who looked very healthy. The blind and deafmutes in a rubber factory I visited yesterday were working so finely," she told Kang.

She said the house of a blind couple impressed her most. "Though the husband and the wife are blind, they seemed very happy and their house is beautifully clean. They have everything, even a television for the children. I'll pray for them," she said.

Mother Teresa is scheduled to leave Beijing tomorrow. Before leaving the Great Hall of the People, she told a reporter that she hoped to visit China again.

RENMIN RIBAO NEWSLETTER ON REAGAN'S SECOND TERM

HK231043 Beijing RENMIN RIBAO in Chinese 23 Jan 85 p 7

["Newsletter From the United States" by RENMIN RIBAO reporter Zhang Liang: "Reagan's Inauguration and Domestic, Foreign Policies"]

[Text] Washington, 21 Jan (RENMIN RIBAO) -- President Reagan and Vice President Bush were sworn into office in the White House on 20 January as stipulated by the Constitution, thus officially launching their second term of office. As 20 January was a Sunday, the grand inaugural ceremony was shifted to the next day. It was cold and freezing westerly winds struck Washington on 21 January, causing a sudden drop in temperature to more than 10 degrees below zero. It was said that this was the lowest temperature on an Inauguration Day in the history of the United States. Due to the bad weather, the "Inaugural Ceremony Committee" finally had to announce the changing of the site of the inaugural ceremony from the west side of the Capitol building to the Rotunda and the cancellation of the grand parade by brass bands, cavalry, and several military units.

The ceremony started at 1130. After Reagan was sworn in for the second time, he delivered a 20-minute "tone-setting" inaugural speech. As far as domestic policies were concerned, Reagan mainly concentrated on the federal budget deficit. He said: "We have now arrived at a turning point where we must make a difficult decision;" "for the moment it is necessary to cut the budget deficit." He also mentioned in his speech a simplified and "fairer" tax system and the reduction of individual tax rates.

As for military and foreign policies, Reagan said: "We have made progress in restoring our strength in the world, but there is much work awaiting us." He criticized the Soviet Union for carrying out "the most gigantic military expansion in human history." Talking about the U.S.-Soviet disarmament talks, Reagan pointed out: "What the United States is working for is a reduction of nuclear arms," not a further increase in nuclear power. Reagan also reiterated his commitment to his "Star Wars" program.

When the ceremony was in progress, hundreds of people braved the cold wind and held a demonstration in Washington, protesting against the domestic and foreign policies of the Reagan administration and calling for "peace, employment, and justice."

Reagan arrived by helicopter in the afternoon at a large gymnasium in Maryland, where he watched a performance by an orchestra.... Nine large-scale balls were held and a fireworks display was set off in Washington in the evening.

Now that the 4-day celebration, which ran from 18 January to 22 January, has ended, President Reagan will have to tackle a series of domestic and foreign affairs problems.

After his victory in the general election last year, Reagan regarded the reduction of the budget deficit as the first-priority domestic problem that the current administration should consider. He convened a series of Cabinet meetings to discuss plans for reducing the deficit. Reagan put forward that in 1988, the deficit will be reduced to \$100 billion and that the chief method will be to further cut civil spending. He also repeatedly expressed his opposition to increasing taxes or cutting military spending. This plan has been criticized or rejected by most congressmen.

Regarding this, there are roughly two kinds of views in the Congress. One is to increase taxes and cut spending at the same time and the other is not to increase taxes but appropriately cut national defense expenditures. It is expected that there will be heated debate inside the Congress and between the Congress and the White House on the question of reducing the budget deficit and simplifying the tax system. If Reagan cannot reach some kind of compromise with the Congress and make some concessions, it will be even more difficult for him to implement his plan for reducing the deficit.

In foreign affairs, a chief task of Reagan's new administration is to hold talks with the Soviet Union and reach an agreement on disarmament. Although an agreement has been reached in the Geneva talks between the Soviet foreign minister and the U.S. secretary of state on the topics of discussion, targets, and range of the arms control talks, which will soon resume, the two sides still hold two sharply opposite positions. The United States wants to cut the nuclear weapons of the Soviet Union through talks, whereas the Soviet Union stresses trying to prevent the United States from developing outer space weapons. Senior U.S. officials have recently reiterated again and again that they will continue to carry out research on outer space weapons and continue to implement the plan of deploying new missiles in Europe. On the other hand, Soviet Foreign Minister Gromyko has given tit for tat and warned that if the United States continues to deploy missiles in Europe and violates the agreement on preventing an arms race in outer space, the U.S.-Soviet disarmament talks will become a problem and they will even "break down." The Western press says that disputes have already started even before the two sides resume their talks. This shows that the U.S.-Soviet disarmament talks will not be easy.

The sudden arrival of the cold winds has made today's celebrations much less lively than those 4 years ago. However, President Reagan is faced with tasks that are far more arduous than those of the past.

KENNEDY URGES 'ACTION' ON LIU INVESTIGATION

OW200242 Beijing XINHUA in English 0226 GMT 20 Jan 85

[Text] Washington, January 19 (XINHUA) -- Democratic Senator Edward Kennedy has urged the U.S. Administration to act vigorously to bring out all the facts about the murder of Chinese-American writer Henry Liu. If full cooperation is not obtained from the Taiwan authorities in this process, the United States should cut off military aid to Taiwan, he said. In a statement on Taiwanese intelligence service involvement in the murder, Kennedy said Friday: "The brutal murder of Henry Liu outside his home in Daly City, California, last October raised immediate fears that he had been assassinated because of his eloquent and persistent criticism of the Taiwan regime, which is notorious for its pattern of repression and reprisals against its critics." Now that these fears have been confirmed, the statement said, it is "important for the Reagan administration to act vigorously and to bring out all the facts about this sordid crime."

The U.S. senator pointed out that the Liu case "presents a clear test of the genuineness" of the Reagan administration's commitment to combating international terrorism.

Senator Kennedy urged the Reagan administration "to make an immediate public protest to the Taiwan authorities on the strongest possible terms, unequivocally condemning Mr. Liu's murder and insisting that all those responsible for this crime be brought to justice."

"It is unacceptable, in light of the disclosures this week (about Taiwanese intelligence service involvement in the Liu case), that the administration is maintaining an attitude of unconcern toward this serious incident of international terrorism within the territory of the United States," the statement observed.

KISSINGER VIEWS U.S. TALKS, PAKISTAN SECURITY

OW221930 Beijing XINHUA in English 1858 GMT 22 Jan 85

[Text] Islamabad, January 22 (XINHUA) -- The United States will not neglect, in the negotiations for an arms control agreement with Moscow, the security concerns of its friends who are exposed directly to the Soviet incursion, former U.S. Secretary of State Henry Kissinger reiterated in a recorded speech broadcast by Pakistan TV this evening. Kissinger has concluded a three-day private visit to Pakistan and left here for home yesterday.

Kissinger said that there was certainly a common perception and sharing of interest between the United States and Pakistan regarding threat from the Soviet Union. There is also an interest in the U.S. and common perception that integrity, independence and sovereignty of Pakistan must be preserved. He noted that the dangers have increased as the Soviet Union has built up its military presence in Afghanistan which poses a threat to all the neighboring countries.

Regarding relations between India and Pakistan, Kissinger said that during his recent visit to India, he was told by the Indian prime minister and other Indian leaders that New Delhi attaches importance to establishing a new basis of relationship with Pakistan.

GENERAL VESSEY ENDS PRC TOUR, RETURNS HOME

OW191226 Beijing XINHUA in English 1218 GMT 19 Jan 85

[Text] Guangzhou, January 19 (XINHUA) -- General John W. Vessey, U.S. chairman of Joint Chiefs of Staff, and his party left here this morning for home at the end of their visit to China. General Vessey and Mrs. Vessey and their party arrived here yesterday after visiting Shenyang, Hangzhou and Shanghai, where they visited units of the three services of the Chinese People's Liberation Army and watched training of the P.L.A. Land and Air Force.

You Taizhong, commander of the P.L.A. Guangzhou Military Area Command, hosted a dinner yesterday evening for the U.S. visitors. Speaking at the dinner, Vessey said that his delegation was deeply impressed by the sound training, morale, skills and discipline of the P.L.A.

WU XUEQIAN LEAVES ON SRI LANKA, SINGAPORE TOUR

OW221211 Beijing XINHUA in English 1140 GMT 22 Jan 85

[Text] Beijing, January 22 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian left here for Sri Lanka and Singapore this afternoon. Before departure Wu said in an interview with XINHUA that invited by Sri Lanka Foreign Minister A.C.S. Hameed and Singapore Foreign Minister S. Dhanabalan he went with the purpose to "promote mutual understanding, deepen friendship and develop cooperation."

He said he will exchange views with Hameed and Dhanabalan on international issues of common interest and further development of bilateral relations. "I will also meet other leaders of these two countries," he said.

Wu noted that China is on good terms with Sri Lanka and Singapore. He said China and Sri Lanka established diplomatic relations for nearly 30 years. The friendly ties and cooperation between them have been developed well in political, economic, and cultural aspects under the guidance of the Five Principles of Peaceful Co-existence. On such basis there are broad prospects for their relations and cooperation, he said.

Referring to China-Singapore relations, Wu said in recent years departments concerned of the two countries kept close contacts and great progress has been made in their economic relations and trade following the mutual visits by leaders of the two countries. He expressed the belief that their relations and cooperation will meet new development in the future.

It is learned that on his way to Sri Lanka and Singapore, Wu will make a stopover in Thailand. He is expected to meet with Thai Foreign Minister Sitthi Sawetsila.

Seeing him off at the airport were Vice-Minister of Foreign Affairs Liu Shuqing; Mrs. L. Samarasinghe, wife of the Sri Lanka ambassador to China; and Tan Song Chuan, representative of Singapore's commercial representative's office in Beijing. Also present was Thai Ambassador to China Orachun Tanaphone.

Sitthi, Wu Talk in Bangkok

BK230850 Bangkok BANGKOK WORLD in English 23 Jan 85 pp 1, 3

[Text] China has reaffirmed its full support for Thailand's, Kampuchean policy and maintained that Kampuchean resistance would continue despite Vietnam's dry season offensive, Thai Foreign Minister Sitthi Sawetsila said this morning. In a separate interview, visiting Chinese Foreign Minister Wu Xueqian called on Thailand to have confidence in China, assuring it would not stand idle if Vietnam continued what he called provocations along the Thai-Kampuchean border.

The two foreign ministers also discussed the situation on the Sino-Vietnamese border but they made no disclosures on the issue. The two foreign ministers spoke to the press separately after a working breakfast at the Erawan Hotel early this morning.

ACM [Air Chief Marshal] Sitthi said both Thailand and China agreed that Vietnam's action in Kampuchea would not bring the country back to normal and the resistance forces would still continue to operate.

Mr Wu described Vietnam's dry season offensive against Kampuchean resistance forces along the Thai-Kampuchean border as "fierce". But he said he did not think it would bring about much change. Asked why China had not taught Vietnam a "lesson" in recent months, he said Vietnam had been taught a number of times as it had been persistently provocative.

Denouncing what he called Vietnamese provocations along the Thai-Kampuchean border, Mr Wu called for confidence in China. He assured that if these so-called provocations continued, China would not stand idle. Mr Wu said he discussed with ACM Sitthi a planned state visit between March 11-15 of Chairman Li Xiannian of the People's Republic of China.

He said he was glad to learn from the Thai foreign minister that His Majesty the King and the Thai Government showed an interest in the visit, a first by a Chinese head of state. He said relations between China and the Soviet Union had been improving in economic and trade fields but there remained strong conflicts over political issues, especially the Kampuchean problem where the Soviet Union extends military support to Vietnam.

ACM Sitthi said Sino-Thai relations had grown from strength to strength and China has expressed its full support for Thailand's Kampuchean policy. During the talks, ACM Sitthi also briefed Mr Wu on Kampuchea.

On the question of trade, the Chinese foreign minister raised the tapioca issue and reminded ACM Sitthi that Thailand still had not delivered the rest of the tapioca consignment.

INDOCHINESE FOREIGN MINISTERS MEETING CRITICIZED

OW230300 Beijing XINHUA in English 0243 GMT 23 Jan 85

["Commentary: Vietnam Persists in Aggression Against Kampuchea (by Huang Yuan)" -- XINHUA headline]

[Text] Beijing, January 23 (XINHUA) -- The tenth conference of the foreign ministers of the three Indochinese states held in Ho Chi Minh City on January 17 and 18 had been carefully timed to coordinate Vietnam's military attacks on the Kampuchean-Thai border. The military attacks were a show of force while the conference was a new round of political and diplomatic offensive backed with a "position of strength."

According to the conference communique and disclosures inside and outside the conference, two points merit attention:

First, a "political solution" put forward by the conference stipulates the exclusion of the Pol Pot group as a condition for negotiation on Vietnamese withdrawal from Kampuchea, and a precondition for a "compromise" with Norodom Sihanouk and Son Sann is that they must "change their attitude", "sever all relations with Pol Pot" and assist Vietnam and the Phnom Penh regime to wipe out the "Khmer Rouge." With these conditions met, Sihanouk and Son Sann would be allowed to play a certain role in Kampuchea. While publicizing this "political solution," Hanoi is making preparations for a situation in the absence of a political solution.

The second point is that the recent conference made no proposal for group dialogue between the Indochinese states and the ASEAN countries as did all previous conferences of Indochinese foreign ministers. Moreover, it declared that "the Kampuchean issue is not a problem between the ASEAN and the Indochinese states." The conference communique stressed the development of bilateral contacts between the Indochinese and ASEAN nations so as to foster bilateral relations between the two groups and to remove the obstacles to the establishment of a peaceful and stable zone in Southeast Asia.

It is obvious that the "political solution" put forward by the conference is nothing new. Its real objective is to sow discord among the three factions of the Democratic Kampuchean Coalition Government, eliminate them one by one, and thereby achieve annexation of Kampuchea. It also shows that Vietnam will continue to find excuses for intensifying its invasion of Kampuchea in defiance of the repeated United Nations resolutions calling for the complete withdrawal of Vietnamese troops from Kampuchea and restoration of the Kampuchean people's right to self determination.

Also, the conference's call for fostering bilateral relations between the Indochinese ASEAN nations is nothing but a diplomatic trick. It is still fresh in the memory of all that at a Tokyo press conference last October, Vietnamese Foreign Minister Nguyen Co Thach proposed a new international conference on Kampuchea. Now the conference once again proposed an international conference -- but on all issues in connection with peace and stability in Southeast Asia and deliberately avoided mentioning of Kampuchea.

Hanoi's empty talk about peace and stability can deceive nobody. Its real intention is to avoid the thorny Kampuchean issue -- the root cause of tension in the region -- and try to undermine the ASEAN nations' common stand on Kampuchea by means of "fostering bilateral relations".

The Vietnamese military attacks along the Thai-Kampuchean border and the tricks played at the conference show that Vietnam has not the slightest intention to cease pursuing regional hegemonism, nor has it any sincerity towards a political solution of the Kampuchean issue. Instead, Hanoi is bent on continuing and intensifying its war of aggression against Kampuchea.

Hanoi announced at the conference that even in the absence of a negotiated solution, the Kampuchean problem would be resolved by itself in five to ten years. This lays bare Hanoi's diabolical design of annexing Kampuchea. But this is a sheer illusion. If Hanoi is bent on pursuing its ambitious design, what awaits it is greater failures.

Commentary on Conference

OW201131 Beijing in Vietnamese to Vietnam 1100 GMT 19 Jan 85

[Station commentator Ya Ming commentary: "Shopworn Arguments Reiterated"]

[Text] The conference of foreign ministers of Vietnam, Laos, and the puppet Cambodian administration, which was held in Ho Chi Minh City, ended on 18 January.

It issued a communique, which reads: The best way is to settle the conflict that has lasted for 6 years now in Cambodia through negotiations and on condition that the Khmer Rouge be ousted. If this is achieved, the Vietnamese troops will withdraw from Cambodia in 5 or 6 years.

The so-called solution to the Cambodia issue advanced by the Vietnamese authorities contains nothing new, but only shopworn arguments. Over the past years, to undermine the solidarity of the patriotic Democratic Kampuchea forces and divide the unity of the international community that supports the Cambodian forces in their just struggle against Vietnam, the Vietnamese rulers have many times noisily urged the expulsion of the Khmer Rouge in solving the Cambodia issue politically.

This absurd request has long been opposed and rejected by the leaders of the patriotic Cambodian forces, including Samdech Norodom Sihanouk and Prime Minister Son Sann, and disdained by the international community as well.

At present, when launching massive attacks on the patriotic armed forces led by Prime Minister Son Sann and Samdech Norodom Sihanouk, the Vietnamese rulers have used the form of communique of the so-called conference of foreign ministers of the three Indochinese countries to reiterate the argument of a political settlement with the condition of discarding the Khmer Rouge. From this fact, one can realize easily the Vietnamese rulers' actual scheme of undermining the solidarity of the tripartite Coalition Government of Democratic Kampuchea [CGDK] and of continuing to place Cambodia under their military occupation yoke.

The Cambodia issue has emerged as a result of the Vietnamese rulers' violation of the UN Charter and armed invasion of Cambodia. For this reason, the key to solving the Cambodia issue, of course, is that Vietnam must comply with the resolutions of the UN General Assembly and must unconditionally withdraw all its troops from Cambodia so that the Cambodian people can exercise the right to self-determination without foreign interference and decide their destiny through general elections.

This correct solution to the Cambodia issue has long been accepted by the international community. However, the Vietnamese rulers have reiterated the so-called political solution while evading the UN resolutions. This only proves that Vietnam has no good will at all to settle the Cambodia issue.

To force Vietnam to implement the UN resolutions, the international community will continue to maintain the aforesaid correct stance and give comprehensive support to the CGDK and the just anti-Vietnam struggle led by this government.

SIHANOUK NOTE TO LI XIANNIAN 'CONDEMNS' SRV

OW210838 Beijing XINHUA in English 0824 GMT 21 Jan 85

[Text] Beijing, January 21 (XINHUA) -- Norodom Sihanouk, president of Democratic Kampuchea, recently sent a message to Chinese President Li Xiannian denouncing Vietnamese incursions into China. The message dated January 18 said: "Democratic Kampuchea and I myself most vehemently condemn Vietnam for its successive invasion of the Chinese territory along the common borders of China and northern Vietnam: especially in the Yunnan region, Vietnamese Armed Forces committed crimes to the peace-loving and innocent Chinese frontier civilians." Sihanouk also congratulated the Chinese frontier guards on their successful defense of China.

WU XUEQIAN ARRIVES IN SRI LANKA FOR TALKS

OW231308 Beijing XINHUA in English 1252 GMT 23 Jan 85

[Text] Colombo, January 23 (XINHUA) -- Chinese State Councillor and Foreign Minister Wu Xueqian arrived here this afternoon for talks with Sri Lankan officials on issues of common interest and the development of bilateral relations. Wu will hold talks with Foreign Minister A.C.S. Hameed later this afternoon. Their discussion is expected to concentrate on promoting understanding and developing cooperation between the two countries.

Before his departure from Beijing, Wu said that China is on good terms with Sri Lanka and there are broad prospects for development of relations and cooperation between the two countries. China and Sri Lanka established diplomatic relations about 30 years ago. Since then, cooperation between the two countries has been developed well in political economic and cultural fields under the guidance of the "Five Principles of Peaceful Coexistence". The Chinese foreign minister will also meet President J.R. Jayewardene and Prime Minister R. Premadasa during his three-day visit here.

Meeting the Chinese minister at the airport were Foreign Minister Hameed and other officials from the Foreign Ministry. Also on hand was Chinese Ambassador to Sri Lanka Zhou Shanyan.

XINHUA TALKS WITH AFGHAN GUERRILLA LEADER

OW211644 Beijing XINHUA in English 1628 GMT 21 Jan 85

[Text] Islamabad, January 21 (XINHUA) -- The Afghan guerrillas are fighting in high morale to foil the enemy's attempt to stamp out the resistance as their war against the Soviet invaders entered the sixth year, an Afghan resistance official told XINHUA here today.

Zahid Ibrahim, a guerrilla commander coming from Surkhrud area of the eastern Afghan province of Nangartar recently, told XINHUA that a 15-member guerrilla unit under his command launched a night attack on a Soviet airbase at Jalalabad on December 27 last year, the day of the fifth anniversary of the Soviet invasion of Afghanistan. They destroyed several Soviet helicopters and inflicted casualties on the enemy. The Soviet troops retaliated by attacking two nearby villages Haddah and Lamiay, he said.

The Soviets also conducted a mopping-up operation on January 5 in Kama District, killing 15 people and forcing hundreds of families to flee to Pakistan. On January 1, Soviet jets straffed a refugee caravan killing 20 people and some 100 camels and mules, Zahid said. According to reports reaching here today, in Panjshir Valley, the guerrillas engaged the Soviet-Karmal troops near Rukha Town on January 8 and two Soviet tanks were damaged. One Karmal officer and four Karmal soldiers from the Soviet occupied town of Bazarak in the valley came to the guerrilla side bringing along 10 rifles and two machine guns, the reports said.

The guerrillas in the western province of Herat reportedly shot down a Soviet helicopter gunship in Chakab area on January 3 when they ambushed a military convoy in the area. It was also reported that the guerrillas in Dangam area of Kunar Province succeeded in pushing back the Soviet-Karmal troops sent in to seal the Pakistan-Afghan border after seven days' fierce fighting. Scores of enemies were wiped out while the guerrillas lost five men.

STATE COUNCILLOR GU MU MEETS DANISH BUSINESSMAN

OW210918 Beijing XINHUA in English 0906 GMT 21 Jan 85

[Text] Beijing, January 21 (XINHUA) -- State Councillor Gu Mu had a discussion here today with Henning Hempel Sparsoe, managing director of the East Asiatic Company, the biggest trading company in Denmark, on expanding cooperation between China and the company. Sparsoe and his party arrived here January 18 from an inspection tour of East Asiatic branch offices in Shanghai and Shenzhen. They are scheduled to leave for home tonight.

FURTHER ON FINNISH PARLIAMENTARIANS' ACTIVITIES

Visit to Steel Complex

OW181918 Beijing XINHUA in English 1656 GMT 18 Jan 85

[Text] Shanghai, January 18 (XINHUA) -- A Finnish Parliament delegation led by Speaker Erkki Pystynen visited the Baoshan iron and steel complex here today. When completed, Baoshan will be one of the largest plants of its kind in China. It will also have more sophisticated technology than other Chinese iron and steel companies, together with a higher degree of automation and lower energy consumption, and will cause less environmental pollution. The Finnish delegation arrived here from Xian earlier today. They attended a banquet given in their honor by the Standing Committee of the Shanghai Municipal People's Congress here tonight.

Visit to Shanghai

OW201954 Beijing XINHUA in English 1431 GMT 20 Jan 85

[Text] Guangzhou, January 20 (XINHUA) -- A Finnish Parliament delegation led by Speaker Erkki Pystynen arrived here this afternoon from Shanghai. During its visit to Shanghai, the delegation held discussions with the Standing Committee of Shanghai Municipal People's Congress on the city's economic relations and trade with foreign countries. Shanghai is the largest industrial city in China. The volume of its exports to Finland last year reached eight million U.S. dollars while the volume of its imports from that country came to one million U.S. dollars.

Guangdong Banquet

OW211908 Beijing XINHUA in English 1849 GMT 21 Jan 85

[Text] Guangzhou, January 21 (XINHUA) -- The Finnish Parliament delegation led by Speaker Erkki Pystynen was entertained here tonight at a banquet given by the Standing Committee of the Guangdong Provincial People's Congress.

The delegation visited here this morning a rural district specialized in the cultivation of flowers. With a more-than-2000-year-old history of flower planting, the Chencun District has expanded its area for flower cultivation from 40 to over 330 hectares in recent years. The total income from flower cultivation came to more than five million U.S. dollars. More than 300 households in the district have now an annual income of more than 3,500 U.S. dollars.

During the visit, Pystynen said that the development of agriculture was of great importance for a country with one billion people. The present visit had left him a deep impression, he said.

HU YAOBANG, OTHERS AT UK EXPERT'S BIRTHDAY PARTY

OW191216 Beijing XINHUA Domestic Service in Chinese 1552 GMT 18 Jan 85

[Excerpts] Beijing, 18 Jan (XINHUA) -- At a homey reception, General Secretary of the CPC Central Committee Hu Yaobang, along with more than 160 Chinese and foreign people raised his glass of Maotai wine to drink a toast of best wishes to Michael Shapiro, a British expert with XINHUA, on the 35th anniversary of his arrival in China and his 75th birthday.

Chairman of the CPC Central Committee's Advisory Commission Deng Xiaoping sent Shapiro a greetings message today, and Chairman of the CPPCC National Committee Deng Yingchao presented him with a basket of flowers.

At the reception given by XINHUA, Hu Yaobang proposed a toast to Shapiro's health and longevity on behalf of the CPC Central Committee and the Chinese Government.

In his greetings message, which was read at the reception, Deng Xiaoping praised Shapiro highly for his valuable contributions to publicizing socialist China and developing and improving XINHUA's overseas services.

Today, the brilliantly illuminated West Hall of the Great Hall of the People was permeated with an atmosphere of excitement and joyfulness. At 1700, Shapiro, who has been receiving medical treatment in a hospital, arrived at the hall in his wheelchair with party and state leaders who came to extend their greetings, including Hu Yaobang, Deng Liqun, Bo Yibo, Ji Pengfei, and Lu Zhengchao. Responsible persons of departments concerned of China and Shapiro's good friends, (Smith), (Ai-de-le), (Ke-lu-ke), (Miller), and (Ke-ru-si), greeted and shook hands with him.

Prior to the reception, Hu Yaobang met Comrade Shapiro's wife, Liu Jinghe; his eldest son and his wife, Xia Lebian and Xiao Yang; and his second son, Xia Lejing, and had cordial talks with them about Shapiro's health and their work and life.

Present at the reception were responsible persons of departments concerned, including Zhu Muzhi, Wu Lengxi, Cui Yueli, Qian Liren, Yu Wen, Zheng Tao, Li Qi, and Qian Xinzong, and some foreign experts in Beijing.

NETHERLANDS FOREIGN MINISTER CONCLUDES VISITVisits Shanghai

OW191403 Beijing XINHUA in English 1244 GMT 19 Jan 85

[Text] Shanghai, January 19 (XINHUA) -- Dutch Foreign Minister Hans van den Broek visited a shipyard, a church and a temple here today. Van den Broek, his wife and their party arrived here yesterday. Shanghai established friendship ties with Rotterdam of the Netherlands five years ago. Since then the two port cities have maintained close cooperation.

Wang Daohan, mayor of Shanghai, hosted a dinner for the Dutch foreign minister and his party yesterday evening. They both expressed satisfaction with the development of the friendly relations between the two cities and hoped that they could strengthen their cooperation in various fields.

Holds Press Conference

OW211538 Beijing XINHUA in English 1517 GMT 21 Jan 85

[Text] Beijing, January 21 (XINHUA) -- Dutch Foreign Minister Van den Broek today described his China visit as a "new marking point" in the relations between China and the Netherlands.

At a press conference here this afternoon, the minister said he had the privilege and honor to be received by Chinese Premier Zhao Ziyang and had extensive talks with his Chinese counterpart Wu Xueqian. "What I take with me is the very positive impression that both of us have not only reconfirmed our good relations but there is willingness on both sides to further intensify these relations in various fields, politically, economically and culturally," he said.

"We also went through a wide range of possibilities, looking for close cooperation in the fields of agriculture, water control and port facilities," he said. He said both sides also had explored possibilities of further exchange of all kinds of art activities and scientific exchanges between China and the Netherlands.

During the visit, the minister said, he invited Wu Xueqian to visit the Netherlands. Wu had accepted the invitation, he said.

The minister said he also discussed various issues of international political situation like East-West relations, arms control, and the questions of Afghanistan and Kampuchea. He said he was very pleased to note that "there was a far-reaching similarity of views in our approach towards those problems."

Van den Broek left here for home by air this evening after his visit to Beijing, Shanghai and Suzhou.

NETHERLANDS MINISTER ON AFGHAN REFUGEE PROBLEM

OW221532 Beijing XINHUA in English 1449 GMT 22 Jan 85

[Text] Islamabad, January 22 (XINHUA) -- Dutch Foreign Minister Hans van den Broek said here today that his country would contribute in its modest way to helping Pakistan face its burden of Afghan refugees.

Talking to newsmen at Islamabad airport on his arrival from Beijing, Broek said that the Netherlands had great sympathy with Pakistan for the heavy burden that had fallen upon it as result of foreign occupation of Afghanistan.

The foreign minister, who is on a 3-day official visit to Pakistan, said that Afghanistan problem would figure prominently in the wide-ranging talks he would have with Pakistan leaders. He added his country would see what it could contribute towards the solution of the Afghanistan question, both at bilateral level as well as at the level of the European Economic Community.

The question of Pak-Dutch economic cooperation would also be taken up during the talks, he added.

Referring to his just-concluded China tour, he said it was a very pleasant and gratifying one. He added that his visit confirmed the existence of good relations between the Netherlands and China at present.

ROMANIA'S CEAUSESCU MEETS VISITING CHEN MUHUA

OW230248 Beijing XINHUA in English 0235 GMT 23 Jan 85

[Text] Bucharest, January 22 (XINHUA) -- Romanian President Nicolae Ceausescu told visiting Chinese Minister of Foreign Trade Chen Muhua today that he was pleased with the results of trade talks and looking forward to continuous growth in bilateral trade.

Chen, who arrived here on Sunday at the head of a Chinese Government trade delegation, held talks yesterday with Romanian Minister of Foreign Trade Vasile Pungan. They discussed the development of economic cooperation between the two countries and signed an agreement which indicated that trade between the two countries will increase this year.

Romanian Prime Minister Constantin Dascalescu also received Chen today. Chen is scheduled to leave here for Federal Germany tomorrow morning.

PRC, POLAND EXCHANGE AGREEMENTS ON CONSUL

OW221720 Beijing XINHUA in English 1652 GMT 22 Jan 85

[Text] Warsaw, January 22 (XINHUA) -- China and Poland exchanged here today approved agreements on consul, the first of the kind for the two countries.

The agreement, signed in Beijing last July, will go into effect 30 days from today.

Deputy Polish Foreign Minister E. Kucza and Chinese ambassador exchanged the documents.

POLISH LEADERS MEET OUTGOING PRC ENVOY

OW221722 Beijing XINHUA in English 1649 GMT 22 Jan 85

[Text] Warsaw, January 22 (XINHUA) -- Polish First Deputy Premier Zigniew Messner said here today that he hoped Poland and China would further consolidate their ties, especially in the economic field.

During a meeting with outgoing Chinese Ambassador Yu Hongliang, he said Poland wanted to make use of China's experience in recent years.

President Henryk Jablonski of the Council of the State, Marshal Stanislaw Guca of the National Assembly, Deputy Premier Janusz Obodowski, Foreign Minister Stefan Olszowski and other Polish officials also met with the outgoing Chinese ambassador.

YUGOSLAV DELEGATION HOLDS TALK IN CHANGCHUN

SK210558 Changchun Jilian Provincial Service in Mandarin 2200 GMT 20 Jan 85

[Text] Chen Zhenkang, mayor of Changchun City, held a working-level talk with (Alexandria Fulwatt), leader of the Yugoslav goodwill delegation from Navi Sad City, at the Nanhu Guesthouse on the afternoon of 20 January.

This is the first delegation from Navi Sad City to visit Changchun City since the two cities established friendly relations in 1981.

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EASTERN EUROPE

It was said that, in the cordial and friendly talk, both sides expressed satisfaction with the progress of friendship between them. They unanimously held that this friendship cannot be maintained only by friendly contacts and that efforts should also be made to further promote the practical exchange and cooperation in the field of the economy, trade, and science and technology. On this basis, both sides introduced in detail their commodities and technical items available for both export and import. They also held a concrete talk on technical cooperation concerning grain storage, feed processing, and the production of leather, silk cloth, and handicraft articles.

Zhao Xiu Receives Group

SK210356 Changchun Jilin Provincial Service in Mandarin 2200 GMT 20 Jan 85

[Text] On the evening of 20 January, Zhao Xiu, secretary of the Jilin Provincial CPC Committee and governor of the province, received and feted the members of the goodwill delegation from Navi Sad City, Yugoslavia, at the Nanhu Guesthouse. At the reception, Comrade Zhao Xiu warmly welcomed the Yugoslav guests. Then, he briefed the guests on the prevailing provincial situation in economic construction, carrying out reforms, and enforcing the open-door policy. He heartily wished the delegation a further understanding on the province and Changchun City through this visit and hoped the two cities will continuously develop economic cooperation and friendly contacts.

(Alexandria Fulwatt), leader of the Yugoslavia goodwill delegation and chairman of the Navi Sad City Parliament, stated: Upon seeing the tremendous achievements scored since the 3d Plenary Session of the 11th CPC Central Committee, we heartily rejoice. We are convinced that the friendly relationship and cooperation in various fields between Navi Sad City and Changchun City will certainly continue to develop.

TRADE DELEGATION DEPARTS FOR EASTERN EUROPE

OW200948 Beijing XINHUA in English 0642 GMT 20 Jan 85

[Text] Beijing, January 20 (XINHUA) -- A Chinese Government trade delegation led by Chen Jie, deputy to the minister of foreign economic relations and trade, left here by air today for Czechoslovakia, Hungary and Poland. The minister will sign 1985 goods exchange and payment agreements respectively with the governments of the three countries.

FURTHER ON RONG YIREN, NPC DELEGATION TOUR

Depart Burundi

OW182014 Beijing XINHUA in English 1639 GMT 18 Jan 85

[Text] Bujumbura, January 18 (XINHUA) -- A delegation of the Chinese National People's Congress, led by the congress' Vice-Chairman Rong Yiren, concluded a four-day visit to Burundi and left here today for Zaire. Speaking yesterday at a farewell party in his honor, Rong praised the ever-growing friendship and economic and technical cooperation between China and Burundi. He expressed hope that relations between the two countries continue to develop and become a good example for South-South cooperation.

President of the Burundian National Assembly Emile Mworoha said that China's economic reforms will undoubtedly meet with success and bring about a higher standard of living. He said the Burundian National Assembly will spare no efforts to promote friendship between Burundi and China.

Arrive in Zaire

OW191903 Beijing XINHUA in English 1510 GMT 19 Jan 85

[Text] Kinshasa, January 19 (XINHUA) -- A delegation of the Chinese National People's Congress (NPC) led by Vice-Chairman of the NPC Standing Committee Rong Yiren arrived here today for a friendly visit to Zaire. In a speech at the airport, Mr. Rong said that his delegation would exchange views with leading parliamentarians of the Zairian National Legislation Council on matters of common concern. He expressed the belief that his visit would promote the friendship and cooperation between China and Zaire. The Chinese guests were met at the airport by Bomandeke Bonyaka, second vice-president of the Zairian National Legislation Council, and Tshimbombo Mukuna, mayor of Kinshasa.

Zaire Lauds PRC Cooperation

OW200852 Beijing XINHUA in English 0754 GMT 20 Jan 85

[Text] Kinshasa, January 19 (XINHUA) -- The Zairean Government was satisfied with the cooperation between Zaire and China, said Zairean First Commissioner of State Kengo wa Dondo here yesterday. Meeting Vice-Chairman Rong Yiren of the Standing Committee of the National People's Congress of China and the delegation led by him, Dondo praised China's aid to Zaire, saying a success of cooperation with China was the building of the Lotokila sugar refinery with Chinese aid which started trial production lately.

Rong said, as developing countries, both China and Zaire should learn from each other and make common efforts to further consolidate their relations of cooperation. Earlier the Chinese National People's Congress delegation held talks with the Zairean legislative council during which both sides shared the hope for continuing cooperation between the two countries in future.

ZHAO ZIYANG OFFERS DROUGHT RELIEF TO AFRICA

OW181906 Beijing XINHUA in English 1518 GMT 18 Jan 85

[Text] Beijing, January 18 (XINHUA) -- Chinese Premier Zhao Ziyang said that China will provide this year the relief food and other materials to the drought-affected African countries. In a letter on Wednesday to Julius K. Nyerere, chairman of the Organization of African Unity (OAU) and Tanzanian president, Zhao Ziyang expressed the Chinese Government's and people's fraternal and sincere sympathy with the African people who are now suffering from drought.

Zhao Ziyang said in the letter that "with profound sympathy, the Chinese Government and people have all along followed closely the drought facing African countries and the grave situation it has caused. It is our bounden duty to help the countries and peoples suffering from disasters." He said may be aware that "in 1984, the Chinese Government donated within its capability 120,000 tons of relief food to the disaster-afflicted African countries. Not long ago an emergency medical relief team was sent to Ethiopia."

"The Chinese Government", Zhao said, "attaches great importance to what you have conveyed to me in your letter and your appeal on behalf of the disaster-affected African countries." In order to continue to help African countries and peoples overcome natural disasters, he added, the Chinese Government will donate this year further quantities of food and other relief supplies to the affected African countries. "Moreover, we are actively exploring with some African countries and possibilities of increased cooperation in agricultural production so as to help enhance their ability to stave off natural disasters."

President Nyerere, as the capacity of the chairman of the OAU, wrote to Zhao Ziyang on December 1 last year, briefing him on the overall situation of the serious drought and famine facing many African countries and estimation and emergency measures being taken by the 20th summit of the OAU in this respect. He appealed to the Chinese Government to give urgent consideration for providing food and other relief materials to the disaster-affected African countries.

Kenya To Receive Maize

OW220058 Beijing XINHUA in English 0048 GMT 22 Jan 85

[Text] Nairobi, January 21 (XINHUA) -- China will donate 2,000 tons of maize to Kenya for the victims of the recent drought which affected 1.2 million people in the country. This was announced by Chinese Ambassador to Kenya Wei Youngqing during a meeting with Kenyan Foreign Minister Elijah Mwangale here today.

Wei told Mwangale that the Chinese Government and people were concerned with the famine caused by the drought in Kenya. Kenya is experiencing a severe food shortage as a result of the drought. The Kenyan Government will import 260,000 tons of food by April this year to meet the shortage in addition to more than 400,000 tons of maize, wheat and other foodstuffs imported in the past few months.

RENMIN RIBAO ON IDEOLOGICAL, POLITICAL WORK

HK220417 Beijing RENMIN RIBAO in Chinese 21 Jan 85 p 1

[Commentator's article: "Carry Forward the Fine Tradition of Ideological and Political Work"]

[Text] The economic structure must be reformed and enlivened, and ideological and political work must also be reformed and enlivened: First it is necessary to thoroughly eliminate all "leftist" things; second, it is necessary to carry forward the good traditions; and third, it is necessary to create new forms and experiences suited to today's needs.

Judging from several decades of history, there are two traditions in our party's ideological and political work. The first is a good tradition. For a long time, our ideological and political work was vivid and lively and penetrated deeply into people's minds. We relied mainly on two things: The first was using concise and clear language to explain to the masses the reasons for overthrowing the "three big mountains" and to expound on the party's principles and policies. The second was to go deep among the masses and care for them, such as by washing the feet of the soldiers after a march and covering them up in bed at night. This was a tradition of teaching by personal example as well as verbal instruction. At that time there was a great welcome for political work cadre, and no one said that ideological and political work were "theory and practice, two separate things." Later, ideological and political work underwent a change; apparently going deep among the masses and caring for them were not called ideological and political work, which consisted instead of reading out the texts of reports, carrying out serious inspections, and indulging in a great deal of irksome red tape and formalism. The good tradition has been revived in recent years, with the Army advancing in the forefront.

Second, there has also been a bad tradition in our party's history, that is, regarding ideological and political work as ideological struggle. There was always ideological struggle being waged against party cadres, intellectuals, objectives of united front work, and even workers and peasants. The Wang Ming line in the 1930's meant waging "savagely struggle and dealing merciless blows"; after the founding of the state, beginning with the antifrightist campaign in 1957, class struggle was talked about every year, every month, and every day, and there were ceaseless "movements" spawning "elements" of all types. This was the tradition of "using mass criticism to open the way" and "putting stress on destruction." During the "Cultural Revolution" this tradition developed to extremes, bringing great turbulence, damage, and calamities. After the smashing of the "gang of four," and especially since the 3d Plenary Session of the 11th CPC Central Committee, we have in practice negated this tradition, and it has at least been negated in the guiding ideology of the central authorities. Unless this thing is resolutely and totally negated, there might be chaos in the land again and the people might suffer again.

The main way to solve problems in people's thinking and work style is to carry out education by positive example. This needs time and patient and meticulous work. Ideological work has an important role and must by no means be neglected; but this role must not be overestimated. Facts speak louder than words, and practice is the best teacher. Many problems in people's concepts have to be solved by conducting education in the facts and in practice. With regard to the erroneous words and deeds of certain people, so long as they have not transgressed the bounds of the law, we must adopt the method of education, criticism, and clarification; we must certainly not adopt the method of "mass criticism." The "mass criticism" we have carried out since the founding of the state has not been successful.

The "five stresses, four beauties, and three loves" activities and the drive for joint building of spiritual civilization by the Army and people which we have launched in recent years are good forms of carrying out ideological and political work in the new situation, and have yielded notable results. We should get a still tighter and sounder grasp of these activities in the future, and produce still greater results from them.

Our country is now in a period of great change and great flying leap. Profound changes are taking place in the mental attitudes of 1 billion people. As the masses have enthusiastically plunged into the reforms, the leaders at all levels must pay great attention to cherishing the masses' enthusiasm and caring for their livelihood. Wherever possible the leadership at all levels must solve problems raised by the masses that involve their vital interests; where the problems cannot be solved for the time being, the leaders must conduct ideological explanation and enlightenment, and must certainly not take a bureaucratic approach. The criterion for testing ideological and political work is to see whether you are capable of guiding and organizing the masses' enthusiasm into the activities of structural reform. As long as it completely eliminates "leftist" ideological influence and is closely subordinate to and serves all the work involved in the form modernizations, a new atmosphere of liveliness, vigor, and sound effectiveness will certainly appear in ideological and political work.

LIAOWANG ON SECOND STAGE OF PARTY RECTIFICATION

HK231124 Beijing LIAOWANG in Chinese No 3, 14 Jan 85 p 4

[Commentator's article: "Carefully Direct the Second Stage of Party Rectification"]

[Text] The second stage of party rectification has been unfolded in all units concerned, and the general situation is good.

The second stage of party rectification is carried out on the basis of the marked achievements of the first stage, which has provided many successful experiences. While the first stage of party rectification was taking place, many units now involved in the second stage organized party members to study relevant documents and did a great deal of rectification work before formally beginning party rectification. They made adequate mental and organizational preparations, and it is now completely possible for them to fulfill the party rectification tasks successfully. However, the second stage of party rectification involves a wider scope of units and a larger number of party members, so the situation may be more complicated. The tasks are still quite arduous. The fulfillment of the tasks entails making strenuous efforts. From now on, party committees in all provinces, autonomous regions, and municipalities, as well as leading party groups in all state departments, should shift the focus of party rectification to giving careful guidance to the second stage of party rectification.

The second stage of party rectification can be divided into two stages: From late last year to the winter of this year, party rectification should be carried out and completed in leading organs at the prefectural and county levels and in enterprises, institutions, high schools, and research institutes, which are equivalent to those administrative organs at the prefectural and county levels. From the winter of this year to next year, party rectification should be carried out and completed in units under the county level. The two levels of prefecture and county form a link between the higher authorities and the grassroots organizations in the party and state leadership system. Organizations at these two levels include more than 13 million party members. They have closer relations with the general public, and the implementation and fulfillment of the party's principles and policies and many major tasks must rely mainly on them.

Therefore, it is of vital importance to ensure that party rectification is successfully conducted in organizations at these two levels, because this has a great bearing on the smooth development of the modernization program and on the success of the ongoing reform. By straightening out the ideas and work style of these 13 million party members, a significant step will be taken to effect a real turn for the better in the style of the whole party.

In the second stage of party rectification, while striving to fulfill the four main tasks of achieving ideological unity, rectifying party style, strengthening discipline, and purifying party organizations, we must grasp the key points and pay special attention to the following matters.

It is necessary to achieve ideological unity among party members on the basis of the spirit of the 3d Plenary Session of the 12th CPC Central Committee through party rectification. It is necessary to earnestly study the relevant party rectification documents in connection with current work and actual questions in people's minds to further overcome the influence of "leftism" and other conservative mentalities in party members' minds, deepen their understanding of socialism with Chinese characteristics, effectively straighten out the guideline for their routine work, and correctly understand and implement the policies laid down by the central authorities for the economic structural reform. Party rectification must achieve the goal of promoting economic development and structural reform.

It is necessary to grasp the education of thoroughly negating the "Cultural Revolution." This education should be conducted in line with the practical conditions and through various methods such as restudying the decision of the 6th Plenary Session of the 11th CPC Central Committee, conducting heart-to-heart talks, summing up lessons, enlightening individual consciousness, and working to enhance thinking. The main points in negating the "Cultural Revolution" are thoroughly negating the theory of "continued revolution under the dictatorship of the proletariat," and thoroughly discarding the erroneous viewpoints of "one faction being in the right, one faction being in the wrong" as well as "being always in the right." In the education of negating the "Cultural Revolution" during the first stage of party rectification, some good and effective methods were created which can serve as reference points in the second stage of party rectification. Of course, new experience should also be created.

It is necessary to conscientiously rectify the new malpractices which have emerged in the new situation. Presently these new malpractices are seriously interfering with implementing the decision on reform of the economic structure. These new malpractices which have emerged are complicated in nature, and can hardly be pinpointed within a short period of time. All the units carrying out party rectification should act in accordance with the spirit of the relevant documents already issued by the central authorities, make intensive investigations, and handle these cases of malpractices resolutely, or they are unable to grow and develop. In particular, those cases such as abusing one's power to seek private gains and causing serious political and economic losses to the party and the state because of irresponsibility must be severely dealt with.

It is necessary to attach importance to enhancing the ideology and consciousness of the party members taking part in the second stage of party rectification, many joined the party during the period of the "Cultural Revolution," and some joined the party after the smashing of the "gang of four." They do not have a sufficient understanding concerning the history of the party, the tasks of the party, and the organization and discipline of the party.

Hence, during the party rectification, it is essential to strengthen the education on the fundamental knowledge of the party, the criteria for a party member in the new period, and the party's line and policies since the 3d Plenary Session of the 11th CPC Central Committee. Through this education, they will be guided to establish a firm faith in communism, to attain a conviction in serving the people with heart and soul, to strengthen the organizational discipline, and to give play to the party member's role of vanguard and model in all respects and in a conscious way.

It is necessary to further restructure the leading organs. With regard to the units carrying out the second stage of party rectification, if their leading bodies do not have a good style, or if they lack the strength, courage, and ability to create a new situation, or if they are weak and impure in organization, they must be readjusted before starting party rectification. Otherwise, there will be a danger of doing a perfunctory job in party rectification work as a whole.

The CPC committees and party groups of various regions and departments should conscientiously strengthen the overall guidance and supervision of the party rectification work in the units under their respective administration. The principal responsible people of the CPC committees of the units carrying out party rectification must personally grasp the work of party rectification. It is necessary to adhere to the principle of "solving problems while causing no confusion" and make scientific arrangements in terms of the relationships between production, teaching and studying, scientific research, and other professional work, so that all these jobs can promote each other.

In short, all units carrying out the second stage of party rectification should uphold the principle of proceeding from reality and seeking truth from facts, learn from and make reference to the successful experiences of the first stage of party rectification while avoiding direct copying, and create practical and effective methods in accordance with the specific conditions of one's own units.

RENMIN RIBAO TO PUBLISH PARTY RECTIFICATION BOOK

HK221550 Beijing RENMIN RIBAO in Chinese 18 Jan 85 p 1

[Report: "'One Year of Party Rectification' To Be Published Soon"]

[Text] RENMIN RIBAO is compiling a book entitled "One Year of Party Rectification," which will soon be published. This book consists of two main parts: First are the first 11 circulars issued by the Central Commission for Guiding Party Rectification during the first phase of party rectification, and the commission's summation of the experiences in the first phase and its proposals and arrangements for the second phase of party rectification; second are RENMIN RIBAO editorials and commentator's articles on party rectification and relevant issues over the past year. These articles thoroughly and properly analyze and expound such issues as the correction of guiding principles, the thorough repudiation of the "Cultural Revolution," the checking of unhealthy tendencies, and the reorganization of leading bodies. The documents and articles collected in this book can be used as reference aids for party members in their studies, because they highlight many successful methods and experiences in the first phase of party rectification.

MORE ON 9TH MEETING OF 6TH NPC STANDING COMMITTEE

Gu Mu on Open Cities, Zones

OW190355 Beijing XINHUA Domestic Service in Chinese 1136 GMT 17 Jan 85

[Text] Beijing, 17 Jan (XINHUA) -- State Councillor Gu Mu delivered a report on the progress in building special economic zones and further opening the 14 coastal cities at the ninth meeting of the sixth NPC Standing Committee today. He pointed out in the report: The policy of opening to the outside world is a basic and long-term national policy of our country. Both construction of special economic zones and further opening of the 14 coastal port cities are important steps in implementing this policy. Facts prove that the central authorities' policy decisions conform to realities and enjoy popular support.

Gu Mu said: A very important purpose of our adoption of the policy of opening to the outside world is to seek foreign capital and advanced technology to accelerate China's socialist modernization. The objective of our endeavor is to quadruple our annual gross value of industrial and agricultural production and become "well-to-do" by the end of the century, and then proceed from the new starting point to strive to approach and surpass the level of developed countries in the world in another 30 or 50 years. Our practice in the last few years has convinced us that we surely can attain the objective, and there surely will exist a prosperous, developed, rich, and strong Chinese nation with a brand new outlook among the world nations, as long as we resolutely implement correct principles and policies and strive to do all work well. We have also realized that we still have many difficulties in economic construction, and have very conspicuous problems, such as shortage of funds and qualified persons, backward technology, and lack of experience in managing socialized large-scale production. To overcome these difficulties and problems, the first and fundamental thing for us to do is of course to arouse further the initiative and creativeness of the broad masses of the people in our country and adhere to a policy of self-reliance. However, self-reliance definitely does not mean undertaking construction behind closed doors. It is impossible to achieve socialist modernization if we undertake construction behind closed doors and start everything from scratch. We must extend our field of vision for economic development of overseas, actively use both Chinese and foreign capital, develop both domestic and international markets, know how to organize domestic construction and develop foreign economic relations at the same time, and use foreign countries' strong points.

He emphasized: The present world is an open world. With development of productive forces and progress in science and technology, international economic relations are becoming closer and closer daily. The majority of countries and regions are taking advantage of such international economic relations to develop their economy. Moreover, the more developed a country's economy is, the more comprehensive its foreign economic relations. The faster a country's economic development, the bigger strides it will take in using foreign capital, importing technology, and developing foreign trade. It has become a trend of economic development in the present world for a country to open itself to the outside world and develop economic exchange with foreign countries to promote and accelerate its own economic construction.

Our country's constantly consolidating and enhancing political situation of stability and unity, steady economic growth, abundant natural resources, and vast market are a strong appeal to foreign capital. We should seize the opportunity to energetically develop economic and technological cooperation and exchanges with foreign countries, actively seek foreign capital, import technologies and information, hire specialized persons from abroad, and promote foreign trade to accelerate our economic development. Our implementation of the policy of opening to the outside world in the last few years has shown that the policy plays a positive role in speeding up the construction of key projects, promoting scientific and technological advances, opening up new fields of production, increasing employment, and readjusting and developing national economy. We should seriously sum up these experiences and implement the policy of opening to the outside world in a still better way.

Gu Mu pointed out: Our implementation of the policy of opening to the outside world is undergoing a process of constantly summing up experience and making gradual development in the course of practice. The general trend of our opening to the outside world is a gradual development from the south to the north, from the east to the west, and from coastal areas to the interior. We adopt such a step because the coastal regions have easier access to foreign markets, better communications with the outside world, a certain industrial foundation, and more specialized a personnel and management experience. Such a step conforms to China's realities and meets the needs of our economic development.

On the practice of "special policies and flexible measures" in Guangdong and Fujian Provinces, Gu Mu said: In 1979, the CPC Central Committee and the State Council decided that Guangdong and Fujian Provinces would adopt "special policies and flexible measures," primarily for implementating such practices as the system of contracted responsibility for their own finances, retention of a certain percentage of the increased portion of the foreign exchange income from export trade, and more powers of decision in international economic activities. This way the two provinces could take advantage of such superior features as proximity to Hong Kong and Macao, relations to a large number of Overseas Chinese, and abundance in certain natural resources to achieve economic development sooner and explore some things in reform of the economic structure ahead of others. In the past 5 years, this policy decision has yielded remarkable effects. The two provinces have taken bigger steps in using foreign capital. They have set up a large number of Chinese-foreign joint ventures, Chinese-foreign cooperative enterprises, and enterprises with exclusive foreign investment. They have also raised a large amount of construction funds directly from the international money market, and the direct foreign investment in Guangdong and Fujian account for more than two-fifths of the total direct foreign investment in China in the last few years. By using foreign investment and raising capital funds, the two provinces have accelerated capital construction. In the past 5 years, the total capital construction investment in Guangdong and Fujian exceeded the total capital construction investment in the two provinces during the 10 years before 1978. Moreover, the construction projects were put into operation sooner, the turnover period of capital funds was shorter, and the economic results were better in last 5 years than in the 10 preceding years. The people's living standards in the two provinces have remarkably improved. In some villages and districts in the Zhujiang Delta and the Fujian coastal areas, the peasants of whole villages or whole districts have become well-to-do in a short time.

Since the two provinces were open to the outside world, they have conducted many experiments on economic structural reform and accumulated some experience that plays an experimental and demonstrative role in the overall reform of the economic structure in China. As the nationwide reform and opening to the outside world are in a new situation, Guangdong and Fujian Provinces should continue their "special policies and flexible measures" and do a still better job as experience-seeking explorers and pioneers in reform and in opening to the outside world.

On construction of special economic zones, Gu Mu said: Construction of special economic zones is an important experiment in connection with our implementation of the policy of opening to the outside world. On 26 August 1980, the 15th meeting of the 5th NPC Standing Committee approved the "Regulations on Special Economic Zones in Guangdong Province," and then the building of the Shenzhen, Zhuhai, Shantou, and Xiamen Special Economic Zones soon began on a full scale. The original sizes of the special economic zones approved by the State Council were 327.5 square km for the Shenzhen Special Economic zone, 6.7 square km for the Zhuhai Special Economic Zone, 1.67 square km for the Shantou Special Economic Zone, and 2.5 square km for the Xiamen Special Economic Zone. to attract more foreign investment and meet the needs of economic development and management of the special economic zones, the State Council readjusted the sizes for all of them except the Shenzhen Special Economic Zone. On 29 June 1983, the State Council approved a readjusted area of 15.16 square km for the Zhuhai Special Economic Zone. In May 1984, it decided to expand the area of the Xiamen Special Economic zone to 131 square km covering all of Xiamen Island and Gulangyu. On 29 November 1984, it approved a readjusted area of 52.6 square km for the Shantou Special Economic Zone.

He said: The four special economic zones we established are neither special political zones nor special administrative regions like Taiwan and Hong Kong in the future under the arrangement of "one country, two systems." They are still administrative regions which are under the leadership of the CPC and where the PRC exercises full sovereignty. They are areas of political power under the people's democratic dictatorship. They, too, should uphold the four basic principles and build socialist spiritual civilization. They are "special" in that they carry out a special economic policy and a special economic management system. Specifically, they have four special features:

1. The special zones rely mainly on foreign capital to develop the economy. The economy of the special zones is a composite led by the nationwide socialist economy encompassing a number of coexisting economic components, mainly joint ventures and co-operative enterprises with Chinese and foreign investment and enterprises solely owned by foreign business firms. This differs from the hinterland where the economy is based predominantly on the socialist system of ownership by the whole people.
2. The economic activities of the special zones give full play to the role of the market as a regulating mechanism under the guidance of the socialist planned economy. In other words, they are mainly activities of market regulation. This feature also differs from the hinterland.
3. Businessmen who come to make investment are given special preferential treatment and conveniences with respect to taxes, land-use fees, and entry and exit procedures. for example the rate of income tax paid by enterprises with foreign investment is reduced to 15 percent.

4. The state gives the special zones greater decisionmaking power for their economic activities. For example, the special zones can themselves examine and approve heavy industrial construction projects of 50 million yuan or less and light industrial construction projects of 30 million yuan or less if there is no need for the state to make adjustments in production and construction as a condition for the construction of such projects. Capital construction targets other than those controlled by the state may also be set up. In general, the decisionmaking power in these fields is greater than that granted to the provincial level.

Gu Mu said: Of the four special economic zones, Shenzhen is the one which made the earliest start and quickest progress. Formerly a small border town, it has now developed into a prosperous area with the initial shape of a new modern city. Progress has also been noted in the construction of the other three special zones. Especially in the past year or so, their construction has been accelerated to a remarkable extent. Even though our special economic zones are still in the initial stage and under construction, we have been able to see their positive roles and effects as follows:

First, they can more effectively solicit foreign capital, introduce technology from abroad, expand foreign trade, and develop the economy by taking advantage of their favorable condition in being close to Hong Kong and Macao and applying the special preferential policy. As of the end of 1984, the four special economic zones had signed more than 4,700 economic cooperation agreements with foreign firms, and the foreign investment involved in the agreements had amounted to \$2 billion. The amount of foreign capital that had been actually used by that time had totaled \$840 million. In Shenzhen, a total \$580 million of foreign capital had been put to use. Over 70 Chinese-foreign joint ventures and cooperative enterprises and enterprises solely owned by foreign business firms were formed. All technology and equipment introduced from abroad are needed by our country, and one-third of them are up to the advanced international or domestic standards. The economic outlook has also changed drastically. In the Shenzhen Special Economic Zone, the 1984 industrial output value was 1.3 billion yuan, a 20.2-fold increase over 1979, while the 1984 financial revenue amounted to 450 million yuan, an increase of 10.6 times compared with 1979. In addition, the people's living standards have shown a remarkable improvement, and order along the border is unprecedentedly stable.

Second, the special economic zones have more frequent contacts and exchanges with foreign business firms. Through their external economic activities, it is possible to obtain international economic information and to cultivate and train personnel in various specialized fields. Now some departments and localities have sent competent scientific and technological personnel and management personnel to the special economic zones to set up "windows" for the purpose of expanding their business and collecting information. In so doing, they have also trained personnel and raised their technical level.

Third, the special economic zones can acquire experience for use in China's economic structural reform. Some tasks in the economic structural reform may affect the whole work and, therefore, should be carried out with great care. In the special economic zones, however, we can boldly carry out reform experiments according to the principle of "doing new and special tasks and applying brand-new methods while maintaining our stand without change." This will enable us to pass the successful experience on to the hinterland and limit within a small area those proposals that may not prove successful when implemented on a trial basis. We can also screen and filter foreign experiences and choose the appropriate ones for our use.

In the past few years, Shenzhen has made considerable useful exploration in reforming its economic structure. For example, in building and managing construction projects, it has achieved very good results in applying the method of choosing the best designs and implementing the measures of public bidding and construction contracts. These experiences have already been popularized in the building industry across the country. In the meantime, Shenzhen has reformed its labor and personnel systems. It has put into effect the systems of labor contracts, floating wages, and selection and recruitment of leading cadres, all of which have produced fairly good results.

Fourth, setting up special economic zones also has great political significance. Public opinion abroad generally believes that it is "a bold move and a creative policy decision in China's drive for modernization." Making the special economic zones a success will also produce positive influences for the cause of the complete reunification of the motherland.

In short, the special zones are a window on technology, knowledge, management, and foreign policy. This is the significance of setting up special zones for speeding up China's four modernizations.

Speaking of further opening 14 coastal port cities, Gu Mu said: After summarizing the experience of settling up special economic zones and the work in other areas in opening China to the outside world, the CPC Central Committee and the State Council held a forum of a number of coastal cities last April and made the decision to further open 14 coastal port cities: Tianjin, Shanghai, Dalian, Qinhuangdao, Yantai, Qingdao, Lianyungang, Nantong, Ningbo, Wenzhou, Fuzhou, Guangzhou, Zhangjiang, and Beihai. The further opening of these cities has two principal elements. The first is to increase their decisionmaking power and allow them to conduct foreign economic activities with full vigor. The second is to offer foreign investors preferential treatment to make better use of foreign funds and introduce advanced technologies. Cities with necessary conditions may also set up economic and technological development zones to bring in technologically advanced projects more rationally. This is another major step taken by China to open itself to the outside world.

On 15 November 1984, the State Council approved that income taxes for joint ventures with Chinese and foreign capital, Chinese-foreign cooperative enterprises, or wholly owned foreign enterprises in these cities be computed and levied at 80 percent of the original tax rate on trial basis. The State Council also approved a levy of a 15 percent enterprise income tax on income of joint productive enterprises with Chinese and foreign capital, Chinese-foreign cooperative productive enterprises, or wholly owned foreign productive enterprises in the economic and technological development zones.

Generally speaking, these 14 cities are China's economically developed areas populated by more talented people. With less than 8 percent of China's population, they produced 23 percent of China's industrial output value and accounted for 40 percent of China's exports. Their labor productivity is 66 percent higher than China's average. The purpose of further opening these cities is to let them bring in capital, advanced technologies, capable people, and information more speedily to help promote the technological transformation of the existing enterprises, push forward scientific and technological progress, and accelerate economic development. On this foundation, they can produce more competitive export commodities to tap the international market and gradually change an essentially domestically oriented economy into one oriented toward the domestic and international market to promote a sustained growth in our economy.

At the same time, they can make full use of their central city role and spur the economic development of their respective hinterlands by giving them technological, personnel, information, financial, and material support to push forward the four modernizations of the country as a whole. The State Council decision has won the support of the broad masses of people and has produced a strong response abroad. Although the decision has been implemented for only a short period of 8 months, the momentum of progress is gratifying.

The pace of using foreign capital and bringing in technologies in these cities has notably quickened. Even though their investment environment is still not perfect, they nevertheless have attracted many foreign investors and the situation of their foreign economic and technological cooperation is unprecedentedly good. The number of contracts using foreign funds signed by these cities in 1984 and the amount involved equalled those of the previous 5 years. More foreign businesses have come to invest in these cities, and the number of technologically advanced projects has notably increased. Among the projects signed by Tianjin Municipality last year, most of the technologies are at the advanced international levels of the late 70's or early 80's.

There is fairly great development in these cities' domestic economic and technological cooperation. The three northeast provinces and three leagues and one city in eastern Nei Monggol held a special meeting in Dalian last June, declaring that "all of northeast China supports Dalian's opening, which will serve the interest of northeast China." They initially decided to set up some 180 joint industrial projects with Dalian. Last September, Lianyungang City invited the provinces and regions along the Longhai railway line to a meeting in the city, where it was decided that Lianyungang, as a window on the world for all of them, will be developed through joint efforts. More than 100 economic and technological cooperation agreements have been initialed. The development of such multichannel, multiform economic cooperative relations between the coastal cities and their hinterlands and the interior not only strengthens the cities' vitality and capacity for conducting foreign economic activities, but also contributes to the technological progress and economic development of China's interior.

More importantly, this important policy decision of the central authorities has aroused the initiatives of all quarters. The minds of cadres and masses in these cities have been further emancipated, their initiatives for carrying out the four modernizations and speeding up economic construction have become stronger, and their confidence in achieving the goal of quadrupling China's agricultural and industrial output value has become stronger. With their love of the motherland and native place further aroused, Hong Kong and Macao compatriots and Overseas Chinese have taken the initiative to actively contribute their efforts to the economic revitalization of the 14 cities.

All this is only a beginning. This good beginning shows that greater progress will surely be made, provided we continue our solid work. He said: The State Council is considering opening a number of coastal regions to the outside world as economic areas and closely linking the development of the coastal areas with the development of the interior in three stages -- operating special economic zones, opening coastal cities, and opening economic areas. This will gradually, more effectively resolve the problems existing in the relations between China's eastern and western regions and further promote the country's economic revitalization and the people's prosperity.

Gu Mu said: Generally speaking, we are still in the stage of creating and accumulating experiences with regard to the work of setting up special economic zones and further opening coastal cities. We still need to do arduous work to achieve more impressive results. In the coming period, we should mainly concentrate on doing a good job in the following areas:

1. Stress the use of foreign funds and introduction of technology for technological transformation of existing enterprises. Although there is some industrial foundation in the 14 coastal cities and in the old city districts of Xiamen, Shantou, and Zhuhai, their equipment is on the whole outdated and their technology backward. They all face the urgent task of technological transformation. It is necessary to center on this focal point in actively attracting foreign funds and bringing in advanced technology and management experience from abroad to raise the qualities of our traditional products and develop new products that are in great demand. While trying to meet domestic needs, efforts should be made to promote export and develop international market in order to increase our foreign exchange earning. By 1990, the technological transformation of most trades and key enterprises should be completed, and the technology and products should reach or approach the advanced international levels of the 1980's.
2. Pay attention to basic construction work. This is an important condition for attracting foreign businessmen. The state has already made arrangements to complete a number of projects in the "Seventh 5-Year Plan." Those projects included in the plan must be accelerated, and efforts be made to complete them ahead of schedule. Particular efforts must be made to improve airline passenger services as well as postal and telecommunications services to foreign countries. Plans have been made to build small airfields in Wenzhou and Beihai, but they will not be open to traffic this year. Nevertheless, it is expected that 11 other cities that have not been open to air traffic will be within this year. The issue of telecommunications with foreign countries from the 14 cities will be solved by the end of this year.
3. Improve economic legislation in dealing with foreign businessmen. China has already formulated and promulgated some laws and regulations in dealing with foreign businessmen, but they are not perfect. This is the major reason why foreign businessmen have been hesitating in making investments. Right now, actions must be taken immediately to formulate and promulgate the "Law on Chinese-Foreign Cooperative Enterprises," the "Law on Enterprises Set Up With Exclusive Foreign Investments," the "Regulations on Economic and Technical Development Areas" as well as other laws and regulations. Five years have passed since the establishment of special economic zones. It is necessary to formulate China's law for special economic zones while summarizing our experience in this regard. The Legislative Affairs Commission under the NPC Standing Committee has been studying this issue and making preparations in this regard. Various departments and localities must actively participate in doing this work.
4. Strengthen the training of qualified personnel. We are faced with many difficulties in developing special economic zones and opening the coastal cities to the world. However, the most serious difficulty is the lack of experience and qualified personnel. Now, various localities have paid keen attention to this issue and run short-term classes, forums, and symposiums of all types. Last year alone, more than 9,000 people in the coastal cities that are open to the world participated in various types of training classes. Efforts must be made to further summarize and improve work in this respect.

At the same time, we are considering the selection of one or two universities to run classes to train outstanding middle-aged and young cadres on a rotation basis in handling affairs with regard to the policy of opening to the world. Such classes should be run with 6 months as a term and over a protracted period. We are also prepared to get some retired but well-experienced friendly people from abroad to work for us as advisers and help our cadres improve their skills in doing administrative and management work.

5. While persistently opening the country to the world, we must work hard to develop socialist spiritual civilization and continuously strike at economic crimes such as smuggling and peddling smuggled goods and firmly oppose any action that violates state policies, illegally resells commodities at a profit, or infringes upon the interests of the state. We must resolutely combat the corruptive work style of making use of one's authority and position to seek private interests, and must correct and overcome the unhealthy trend that prevails under new situations and conditions. The special economic zones and cities open to the outside are located at the forefront in doing the work of opening China to the outside world. In these localities, we must impose strict demands on our cadres and party members in the fields of politics, ideology, work style, and discipline. They must have particularly high awareness, a particularly good work style, a particularly strong sense of discipline, and particularly good thinking. While developing higher and higher material civilization, these localities must also work hard to build a highly developed socialist spiritual civilization.

Economic Progress Inspections

OW221353 Beijing XINHUA Domestic Service in Chinese 0113 GMT 20 Jan 85

[Text] Beijing, 20 Jan (XINHUA) -- Reports by two inspection groups sent by the NPC Standing Committee to Sichuan, Hubei, Shanghai, and Jiangsu show that the restructuring of the national economy as a whole, with the focus on the urban economy, is progressing in both depth and width. The local political and economic situation is excellent; the line, principles, and policies formulated by the party since the convening of the 3d Plenary Session of its 11th Central Committee are entirely correct; and the strategic goal to quadruple the country's gross value of industrial and agricultural output before the end of this century can be accomplished.

An NPC Standing Committee inspection group headed by member Qian Min as leader and members Su Buqing and Qiu Weifan as deputy leaders visited Wuxi, Changzhou, Nanjing, and other places in Shanghai Municipality and Jiangsu Province from 6 to 26 December 1984. Another NPC Standing Committee inspection group headed by member Ye Lin as leader and members Chen Zongji and Liu Da as deputy leaders visited a number of cities in Sichuan and Hubei Provinces from 5 to 25 December 1984. These two inspection groups respectively submitted a written report to the ninth meeting of the Sixth NPC Standing Committee.

The report on the inspection in Shanghai and Jiangsu says: During the visit, the inspection group realized that governments at various levels and people of all nationalities in Shanghai Municipality and Jiangsu Province have made unremitting efforts to create a new situation in socialist construction in all fields, thereby ushering in an excellent situation characterized by effective government, harmonious society, and unprecedented economic prosperity.

Under the guidance of the spirit of the 12th CPC National Congress, the people of Shanghai Municipality have persistently carried out the policy of invigorating the domestic economy and opening to the outside world and have devoted themselves to such new undertakings as expanding economic ties with foreign countries, cooperating with the interior, carrying out technical transformation, and tapping potentials, thus imbuing the economic construction with grater vitality and prefulfilling by 15 days the 70 billion yuan industrial output value plan for 1984. Jiangsu has maintained its accelerated economic growth rate. Its 1984 economic situation is the best since the founding of the country, with the annual gross value of industrial and agricultural output estimated to reach 92.5 billion yuan, 11 percent more than the previous year.

The report points out: There are a few problems that urgently need to be solved for the economic construction in Shanghai and Jiangsu. The most serious are: limited energy and transportation as well as obsolete technology, equipment, and manufactured goods that urgently require technical renovation; a serious shortage of qualified scientific and technical personnel; and the lack of necessary scientific and general knowledge by a large number of workers and staff. Currently, the trend of reform is rapidly developing, and there are great prospects for reform. In view of the new situation, we must study new problems and promote reform in both depth and width. On the whole, Shanghai and Jiangsu have made a good beginning, achieved good progress, and scored successes in restructuring the urban economy.

The report says: The institution of the plant manager responsibility system, an important component of the urban economic reform, was a target of our inspection. During our inspection of 16 plants, responsible persons of all enterprises that had tried out the system spoke highly of it. They held that the institution of the system was a major reform in the leadership system of enterprises and a vital link in modernizing management. The experience of these enterprises can be summed up as follows: First, there is a clear distinction between party and government functions with everyone performing his duties commensurate with his post. Second, a plant manager must have strong party convictions, respect the party committee and its secretary, and exercise his leadership and make decisions on the basis of thorough discussions with the collective. Third, it is necessary to closely combine the plant manager's power to direct production and operations with the role of trade unions and democratic management.

In its report, the inspection group that went to Sichuan and Hubei says: Since the 3d Plenary Session of the 11th CPC Central Committee, the political situation in these two provinces, characterized by stability and unity, has become even more consolidated than ever before. There are tremendous developments in economic construction and the market is thriving. Party and government departments at all levels in Sichuan and Hubei are actively implementing the decision of the CPC Central Committee on economic structural reform, earnestly summarizing their experience in carrying out reforms, and working out plans to carry out reforms in the next stage. Our impression is that the 3d Plenary Session of the 12th CPC Central Committee has made a completely correct and very timely decision on economic structural reform. In carrying out urban economic structural reform, both provinces have demonstrated the spirit of emancipating the mind and boldly creating the new. The two provinces show the following characteristics in urban economic structural reform:

1. In carrying out reforms, they have proceeded from expanding the enterprises' decisionmaking powers and enhancing their vitality and have taken a firm grip of the key link.
2. Both provinces have been fairly quick and practical in reforming their economic structure. When Sichuan began to reform its rural economic structure, it had already conducted experiments and explored rural economic structural reform. It has played a leading role in this regard throughout the country.
3. Both provinces have boldly assigned able personnel to various positions and made a big breakthrough in the personnel system. While carrying out reforms, the two provinces have paid attention to selecting and appointing those who are competent to various posts and threw out some of the old conventions in the personnel system.
4. They have reformed the commercial system and unclogged the channels in commodity circulation. Both provinces have tried to reduce the number of links and increase the number of channels in commodity circulation and have adopted more economic forms and diversified management in reforming the commercial system.
5. They have vigorously imported advanced technology and equipment from foreign countries, while developing economic relations among various enterprises and regions in the country. In the past 2 years, the two provinces have accelerated their pace in making full use of foreign investments and importing foreign technology. Economic structural reform has greatly spurred economic construction in the two provinces. Both provinces have accelerated industrial development, achieved simultaneous growth in profit and revenue, and improved economic efficiency.

The report says: Both provinces have paid full attention to the experiments conducted in selected locations on enforcing the system under which a director or manager assumed full responsibility in a factory. They regard these localities where such a system has been implemented on an experimental basis as an important part of the reform in urban economic structure. Both provinces have achieved fairly good results in carrying out such experiments. After exercising unified command in doing production and administrative work, factory managers have been able to work out and implement policy decisions more promptly, and their work efficiency has been raised. Some factory managers said: It is necessary to use laws and decrees to consolidate the achievements of reform. It is hoped that the law on state-run industrial enterprises can be worked out as soon as possible. In carrying out experiments at selected locations, both provinces have accumulated some experiences: 1) It is essential to pay attention to studying documents, following correct ideologies, and raising one's awareness. 2) In carrying out experiments in selected localities, it is necessary to do a good job in readjusting leading bodies, selecting factory managers, and streamlining administrative organs. 3) It is imperative to handle well the relations among factory managers, party committees, and workers' congresses and give full play to their enthusiasm. 4) In the course of strengthening democratic management, we must bring into full play the role of the workers' congresses and administrative committees (or meetings for handling affairs in a factory). During the inspection tours, some localities raised some issues that needed solution with help from departments concerned under the State Council. Some of the members of the inspection groups also made suggestions and expressed their views on the work in some provinces and cities. The inspection groups will forward these requests, suggestions, and views to the General Office of the NPC Standing Committee so they will be sent to various departments concerned under the State Council for action and handling.

Commentator on Teachers' Day

OW222345 Beijing XINHUA Domestic Service in Chinese 1208 GMT 21 Jan 85

["Article by XINHUA Commentator: All Society Should Respect Teachers" -- XINHUA headline]

[Text] Beijing, 21 Jan (XINHUA) -- The ninth meeting of the Sixth NPC Standing Committee today examined, discussed, and adopted Premier Zhao Ziyang's proposal on declaring a national day for teachers, and officially declared 10 September as Teachers' Day. The event is of profound social significance, and is conducive to further improving the political and social status of people's teachers, and to creating an atmosphere throughout society of respecting teachers, knowledge, and talented people, and paying attention to education.

Teachers are hard-working gardeners, who pass on knowledge and train talented people. They are engineers of human souls. Their profession requires arduous and lofty mental labor, and deserves respect. Students should respect teachers; and so should parents and all society. Chinese people have had tradition of respecting teachers since ancient times. The central people's government in the early years of the People's Republic declared national Teachers' Day every year on "1 May" International Labor Day. It then clearly pointed out: Teachers have become a part of the working class of New China. We should let all teachers and educational workers profoundly realize the honor of belonging to the working class when they celebrate the great "May Day," so they will work hard, as one, for the cause of people's education in New China. However, during the 10 years of calamity, "the gang of four" fiercely criticized so-called "teacher's dignity." Criticism had not only destroyed the tradition of respecting teachers and subjected many teachers to humiliations and insults, but it also caused the serious consequences of despising and discriminating against teachers, particularly middle and primary school teachers, in society. In fact, the "1 May" national Teachers' Day no longer exists. In recent years, the party and government have attached great importance to improving the political and social status of teachers, and are taking measures to help them solve practical difficulties in work and daily life. The declaration of 10 September as national Teachers' Day by the current NPC Standing Committee session will have a profound influence on teachers and society. Lenin once said: "If we do not improve the status of the people's teachers, any culture will be out of the question. This truth not only applies to proletarian culture, it even applies to bourgeois culture." He also emphatically pointed out: "We should raise the status of our people's teachers to an unprecedented level, which has never before existed, and will never exist in a bourgeois society."

Comrade Deng Xiaoping has repeatedly emphasized the need to respect knowledge and talented people. To do this, we must respect teachers and pay attention to education, because teachers have made enormous efforts to pass on knowledge and cultivate talented people. From kindergarten to university, a person must be enlightened, guided, and instructed by teachers. Please do not forget your teachers who enlightened you, no matter who you are -- be you scientist, scholar, senior engineer, famous writer, famous doctor, or news reporter commenting on the world situation. It is their hard work which creates a rope for you to scale the peak of knowledge.

Today, the people of our country are bravely marching to socialist modernization. A decisive factor for us to fulfill the magnificent goal set by the 12th CPC National Congress is respect for knowledge and talented people. Education must be geared to the needs of the modernization drive, taking into account possible future world trends. One of the extremely important strategic tasks in our modernization drive is to do a good job in education. This heavy historic task falls on the shoulders of teachers. The times have set still higher demands on teachers and all comrades doing educational work. To respect teachers and attach importance to the work of the educational workers meets the needs of historical development, and of the building of socialist material and spiritual civilizations. Respect for teachers is a symbol of culture and civilization. The thinking and behavior of despising and discriminating against teachers are a manifestation of stupidity and backwardness. We must create a general mood in society -- it is an honor to respect teachers.

Naturally, we should not merely help people understand the importance of respecting teachers, we should also work in a down-to-earth manner to help teachers solve practical problems regarding their work and livelihood. Following the steady improvement in its economic situation, the state will steadily increase educational budgets, and adopt necessary measures to elevate teachers' social status and increase their pay. In addition to this, all localities should, in accordance with their actual situation, work actively and enthusiastically to elevate teachers' status and solve their actual problems, so our teachers will feel that the party and government, as well as people in society as a whole, care for them. Not only should we make all teachers feel that their profession is lofty and glorious, we should also encourage more young people, especially outstanding students, to be teachers. Leading departments concerned should justly, and firmly, stop those departments and units willfully transferring teachers from schools. Departments concerned must firmly handle, and punish according to law, those people still discriminating against teachers, and persecuting them in one way or another. We are now engaged in building a highly civilized socialist country, and we must be sure that a new order, in which everybody respects teachers, will be introduced into our society, and that teaching becomes one of the most respected and admirable professions. Let us create conditions for our teachers to teach happily and diligently, and make still greater contributions to training one generation of new people after another.

HU YAOBANG INSPECTS FORESTRY WORK IN HUBEI 6 DEC

HK210455 Wuhan HUBEI RIBAO in Chinese 6 Jan 85 pp 1, 2

[Report by Zhou Ti: "In the Woods Where Green Leaves Flutter in the Wind -- General Secretary Hu Yaobang Inspects Chongyang Forestry Research Institute and Osmanthus Tree Farm"]

[Text] It was the 6 December 1984. On a morning in early winter, several cream-colored vans drove out of Chongyang County hostel flashing yellow lights. They drove north amid white fog in frosty weather.

Hu Yaobang, general secretary of the CPC Central Committee, rode in one of these vans. He wore a deep blue western-style coat with white stripes and a navy blue overcoat. He watched the poplar trees, village fields, and pools passing by and asked: "Where are we going?"

"We are going to visit the county forestry research institute and an osmanthus tree farm in the morning," replied provincial CPC Committee Secretary Guan Guangfu who sat beside him. "Chongyang County has relatively satisfactorily carried out forestry production and the percentage of land covered by forests there is 48.8 percent, a high percentage in our province," added Qian Yunlu, deputy secretary of the provincial CPC Committee at the same time.

Comrade Hu Yaobang nodded a few times and said, "Oh, that is good."

The vans drove north along the smooth asphalt highway for 10 minutes and then turned to the east and stopped before a crowd of people who had gathered at the county forestry research institute to welcome him. Comrade Yaobang got out of the van and warmly shook hands with engineer Zhang Zunsan and other responsible people of the institute. He looked around and saw three parallel shacks covered by plastic cloth, a glass hothouse, and a clean, white office building surrounded by tall trees and thick bamboo forests. The whole forestry research institute was like a beautiful garden.

Led by engineer Zhang, the general secretary walked down the slope and toured around the plastic-cloth covered shacks to see seedlings grown in containers. Zhang Zunsan said this was a kind of advanced scientific method for growing seedlings. It has been developed since 1978 in order to satisfy the whole county's demands for timber forest seedlings. Each of the shacks has an area of 405 square meters and has semiautomatic irrigation equipment and equipment for watering from the bottom. It is also equipped with remote infra-red heating facilities. Its advantages are quick growth of seedlings, which are grown in the shack for a short period of 100 days before they are moved outside and transplanted elsewhere; and the high survival rate and quick growth of the trees grown from these seedlings. On one square meter, 660 seedlings can be grown and three batches of seedlings produced in 1 year. This means that the annual output of these shacks is over 500,000 seedlings, a per-unit output 15 times more than the output by using ordinary methods of growing seedlings.

We walked into the plastic-covered shacks and found that they were spacious, comfortable, bright, and well ventilated. In the middle of each shack there was a path. On both sides of the path were seedlings of various kinds that were grown in separate containers. The general secretary walked along the path and looked round. Engineer Zhang pointed at a number of young green seedlings and said, "Those are wet-land pines. This is a kind of fine quick-growth timber tree. Its timber is hard, straight-grained, and durable. It can be grown on any kind of land."

"Those are cedars," said engineer Zhang, pointing at a number of green seedlings on the right. "It is a precious kind of tree and is mainly used for greening."

"Are those not cypresses?" said Comrade Yaobang with a broad smile on his face, bending toward and pointing at some pretty dark green young seedlings with yellow tips on their leaves.

"Yes, they have been planted using the cutting method," said engineer Zhang, who then bent down and pulled out a cypress seedling, the root of which was growing in a piece of soil wrapped in plastic cloth. He smiled and said, "You see, it grows well and its roots have broken the cloth. It will surely survive after being transplanted." The general secretary laughed happily.

When they were outside the plastic-covered shacks, some people suggested that they get in their vans. Comrade Yaobang doubtfully asked: "Is it time to leave? I am going in the opposite direction. Oh! that is a beautiful evergreen bamboo forest filled with flourishing mao bamboos." Comrade Qian Yunlu explained: "This bamboo forest has been here for 13 years, see how well they do." Comrade Hu Yaobang also praised it, saying: Wonderful, wonderful!

When I saw the general secretary gazing at the bamboo forest with admiration, I could not help recalling a poem that Zhen Banqiao wrote on his painting entitled "A Rock in a Forest": "Tightly grasping the green mountain, the bamboo trees have struck their roots in broken rocks. They stand firm and resist wind from any direction."

When we were out of the bamboo forest, the general secretary asked Zhang Zunsan, "are there any more engineers in the institute?"

"There are four," replied Li Qifa, secretary of the Xianning Prefectural CPC Committee. "If the two assistant engineers are included in the counting, there are six."

"How are their living conditions? Is there any household earning 10,000 yuan annually among them?" asked the general secretary with a smile.

Engineer Zhang replied: "The average wage of the people in our institute is only 800 yuan and there is no household earning 10,000 yuan annually among our engineers. However, we are making efforts toward this goal."

"That is right," said Comrade Hu Yaobang. Then he said kindly: We should link the work of the staff and workers directly with the economic results and find ways to improve their livelihood. There should be differences in their wages and income and we should not conduct the practice of eating out of the same big pot. Now we should open up to the external world and relax our policies at home. The forestry scientific research institute can conduct diversified undertakings as well! Why can it not conduct the production of medical herb seeds and fruit seeds in addition to tree seedlings in order to increase its income? You can also set up a flower and tree development company to supply tree seedlings for greening our cities. You can provide some Boston ivy and orchids! The gooseberries produced by the United States are bigger than ours and have no down. The oranges produced in Japan have thin peel, are not sour, and look nice. You can introduce some of them from abroad and can also do research and continue to develop new breeds of fruit.

All the responsible people of prefectural and county CPC committees present agreed with Hu Yaobang's opinion. They noted that the institute has already begun to grow tree seedlings for making our country green. It has succeeded in grafting glossy privet with osmanthus and thus enabled osmanthus saplings to blossom within a year of grafting.... The general secretary said with joy: "That is good!"

Comrade Yaobang and his party left the county forestry research institute and their motorcade continued traveling quickly to the northwest. Having covered over 10 km of asphalt road, the motorcade turned left into a cobbled road in the osmanthus tree farm. The vans began to bump on the mountain road and the springs in the seats of the vans creaked rhythmically. Pine trees, bamboo forests, mountain rocks, and steep precipices quickly passed by the windows of the vans. After taking a few sharp turns, the vans stopped in front of the head office of the farm. The responsible people of the farm walked toward the visitors and asked Comrade Li Qifan: "Shall we show them around first or brief them on the state of affairs?" Comrade Yaobang immediately said: "Show us around first!" At the same time, he vigorously climbed up to the roof of the office building. He looked into the distance and saw that in the continuous waves of green mountains, there were countless exuberant green pines, cypresses, and bamboo trees, some of which grew in seams on the rocks, and others which grew from under the rocks.

All the countless dark green pine, cypress, and mao bamboo trees we saw were the diameter of the mouth of a bowl or of a small plate. A blast of wind made the pine, bamboo, and cypress trees, which grew everywhere within sight, whistle and wave. This was not a forest farm, but a bright green pearl set on Mufu Shan!

The general secretary stayed on the roof in high spirits, enjoying the scenery for a long time, and then slowly walked downstairs. He walked through a footpath in the forest and then entered a meeting room under the shade of the trees.

The osmanthus tree farm was set up in 1965 and is now operated on more than 94,600 mu of land. Since the 3d Plenary Session of the 11th CPC Central Committee, it has conscientiously implemented the principle of "regarding forestry as the key undertaking and developing diversified undertakings" and of developing forests in light of local conditions, carried out forestry structural reforms, given play to the initiative of all the staff and workers of the farm and thus made the mountains greener and the forests more flourishing. The timber trees on the farm contain over 200,000 cubic meters of timber. There are also over 330,000 mao bamboo trees in the farm. All these are worth more than 20 million yuan, which is 570 percent more than the amount of money that the state has invested in the farm. Now the farm turns out 2,000 cubic meters of timber every year and in addition, its other income totals over 2 million yuan....

Hearing this, Comrade Yaobang stood up joyfully from the armchair and said to the responsible comrades of the provincial and prefectural committees who were present: "Not bad. It is wonderful." Then he asked with concern: "Has the responsibility for the management of mountains and forests been assigned by contracts? Have people's incomes increased?"

"The operation of tree planting is assigned by responsibility contracts. Eight yuan is paid for the work of leveling earth, growing seedlings, and planting trees on 1 mu of land. An all-round contracted responsibility system has been implemented in the farm's industrial and sideline production," the responsible person of the farm replied. He also said: "Since the implementation of the responsibility system, we have greatly heightened the initiative of our workers. Before the implementation, the per capita monthly income was only 50-odd yuan, but since the implementation, it has risen to over 70 yuan and even to over 100 yuan."

The general secretary smiled and said: "That again shows that the contracted responsibility system is good!" Then he said something to the point: "In looking after forests, we can divide up our forests into pieces and assign the responsibility for each piece by contracts and thus reduce the number of patrollers. The households who have undertaken responsibility contracts can conduct diverse undertakings on their own."

Comrade Yaobang also showed great concern for the comprehensive exploitation of timber on the farm. He said: "Large pieces of timber should be made good use of and small ones should also be fully used. We should not waste any timber. We can use small pieces of timber to make chopsticks, washboards, chopping blocks, and rolling pins and use small pieces of bamboo to produce small bamboo chairs and stools. Even tree roots can be used to produce decorative pots, which can also be sold at good prices. We should give our masses of people a free hand in conducting these activities and let the state, the collectives, and individuals conduct these undertakings simultaneously."

When he left the meeting room, the general secretary took a walk down a path in the forest by the side of the mountain. Near the vans, he looked around once more at the green waves of trees on the farm and said: "This is a good place. How wonderful it will be if there are 10,000 such farms!"

FURTHER ON ZUNYI MEETING COMMEMORATION, EVENTS

Excerpts of 2 Mao Speeches

HK220538 Beijing RENMIN RIBAO in Chinese 17 Jan 85 p 2

["Excerpts" of two speeches by Mao Zedong delivered on 24 May and 10 June 1945 during the Seventh CPC National Congress on the question of elections]

[Text] What has been the status of the CPC Central Committee in the 10 years from the Zunyi meeting in January 1935 to the current Seventh CPC National Congress, which is being held in May 1945? The main Central Committee members were elected at the fourth and fifth plenary sessions, not the Sixth CPC National Congress. Of those elected at the Sixth National Congress, there are only four left. Most of the 25 (Footnote 1: The figures 4 and 25 all refer to Central Committee members. The four refers to Mao Zedong, Zhou Enlai, Ren Bishi, and Guan Xiangying, who were then in Yanan.) were elected at the fourth and fifth plenary sessions, or the two sessions of setbacks. (Footnote 2: "The Resolution on Certain Questions in the History of Our Party" made an appraisal of the fourth and fifth plenary sessions. The Fourth Plenary Session of the Sixth CPC Central Committee was held in Shanghai on 7 January 1931. The above-mentioned resolution points out: "This meeting did not play any positive or constructive role. As a result, the new 'leftist' line was accepted and victorious in the central leading organ, and for the third time, the 'leftist' line occupied a dominant position in the party during the period of the Agrarian Revolutionary War." The Fifth Session of the Sixth CPC Central Committee was held by the CPC Provisional Central Committee in Jiangxi's Ruijin in January 1934. The above-mentioned resolution points out that this meeting symbolized "the pinnacle of development of the third 'leftist' line." We have been working with these comrades in the Central Committee, and during these 10 years, we suffered fewer setbacks and troubles and achieved some progress in our work. Is this a very important experience? The answer is affirmative. At the Zunyi meeting held in January 1935, some of those who enthusiastically supported and played an active role in leading the Fourth Plenary Session of the Sixth CPC Central Committee, that is, some of those who followed the third "leftist" line, stood side by side with other comrades in opposing the third "leftist" line. Now you have all credited the success to me. So I would like to declare that without the support of these comrades and many other comrades -- all those comrades who opposed the "leftist" line, including some very important comrades who once followed the third "leftist" line, the Zunyi meeting could not have been successful.

X X X

While studying the party's history and the party's line, you have all learned that there were two important and critical meetings in the history of the CPC. One was the Zunyi meeting held in January 1935, and the other was the sixth plenary session held in 1938.

The Zunyi meeting was a meeting of crucial importance, which had an important bearing on the Chinese revolution. However, you must understand that if Comrades Luo Fu and Wang Jiaxiang had not split with the third "leftist" line, the Zunyi meeting could not have been held successfully. When you comrades credit the success to me, please do not forget those two in any case.

Of course, many other comrades also attended the Zunyi meeting, and long-term preparations had been made for it. Without the support and participation of these comrades, nothing could have been achieved merely through the efforts of two of them. Nevertheless, after the two of them split off from the third "leftist" line, they played a very great role. Soon after the Long March started, Comrade Wang Jiaxiang began to oppose the third "leftist" line. (according to the minutes kept by the Central Archives)

Veterans at Loushan Pass

HK220941 Beijing GUANGMING RIBAO in Chinese 17 Jan 85 p 1

[Report by Dai Xuanchang. "Veteran Red Armymen Cherish the Memory of Martyrs in Front of Loushan Pass"]

[Text] Zunyi, 16 Jan -- A group of veteran Red Armymen from Beijing, Yanan, Jinggangshan, and other areas arrived at the strategic Loushan Pass from Zunyi today to cherish the memory and to recall the magnificent contributions of the proletarian revolutionaries of the older generation. Standing in front of the 11-meter-high "Loushan Pass Monument," they mourned the commanders and fighters of the Red Army who laid down their lives in the Loushan Pass campaign.

A key junction in northern Guizhou, Loushan Pass, which has long been known as a natural barrier, was a place contested by all strategists. After the Zunyi meeting half a century ago, the Red Army marched north, crossed the Chi Shui on two occasions, and then returned to northern Guizhou. After fighting repeated battles with the defending enemy at Loushan Pass and annihilating two enemy divisions and eight enemy regiments, the Red Army finally captured the strongly defended pass, winning the first victory since the Long March. To mark the occasion Comrade Mao Zedong wrote the well-known poem "Loushan Pass -- to the Tune of Yi Chin O."

Accompanied by Chi Biqing, first secretary of the Guizhou Provincial CPC Committee, the group of veteran Red Armymen visiting the pass also included Wu Xiuquan and Tong Xiaopeng. When they arrived in front of a horizontal stone plaque inscribed with the three big red characters "Loushan Pass," Wu Xiuquan stopped to say to the old comrades-in-arms around him: "It is not so easy for us to gather here and it is fine today. Let us have a group photo taken to mark the occasion!" Standing in front of the monument, Tong Xiaopeng said: "We have escaped death by a hair's breadth and survive today. We should always remember the glorious deeds of the Red Army martyrs."

NEW SPORTS JOURNAL DESCRIBES HU'S EXERCISE

OW211403 Shanghai City Service in Mandarin 1100 GMT 20 Jan 85

[Text] The TIYU AIHAOZHE [SPORTS ENTHUSIASTS] journal, jointly sponsored by the Sichuan branch of the All-China Sports Federation and Hong Kong's International Sports Co, started publication in Chengdu on 20 January. The first issue of TIYU AIHAOZHE contains an article introducing General Secretary Hu Yaobang's physical exercise. It also contains Rong Gaotang's article entitled "All Chinese, Be Sports Enthusiasts," and an article entitled "Sports and Me" written by Huo Yingdong, member of the Standing Committee of the CPPCC National Committee and noted Hong Kong personage. TIYU AIHAOZHE, of which Rong Gaotang is the honorary editor in chief, is this country's first comprehensive sports journal jointly sponsored by China's interior and Hong Kong. The journal came off the press on 20 January.

ANHUI'S HUANG HUANG VISITS WENZHOU, ZHEJIANG

OW192225 Beijing Domestic Service in Mandarin 0400 GMT 17 Jan 85

[Text] On the morning of 14 January Huang Huang, secretary of the Anhui Provincial CPC Committee, and other comrades visited Wenzhou, Zhejiang, where they visited some industrial enterprises operated by the local people, as well as some individually-operated economic establishments.

Industrial enterprises operated by the local people have been growing rapidly in Wenzhou in recent years. By the end of 1984 more than 930 enterprises, which handle their own accounting, were operating in Wenzhou. Among them, over 780 were neighborhood enterprises. Last year the total output made by industrial enterprises in urban Wenzhou reached 150 million yuan, and neighborhood enterprises accounted for 110 million yuan of the total amount. These enterprises' profits were also remarkable. Their profits during the first 11 months last year were more than double that of 1983. Wenzhou presently has over 7,900 individually-operated economic establishments.

After the visit Huang Huang told reporters that he visited Wenzhou at the recommendation of Comrades Zhao Ziyang and Zhang Jingfu. He said: Wenzhou's economic growth is vigorous. Neighborhood-operated enterprises and individually-operated economic establishments are growing rapidly and yielding good economic results. We used to say that economic development required state, collective and individual efforts; but we lacked practical measures. Wenzhou has now provided us with valuable experiences.

HAN SPEAKS AT JIANGSU RECTIFICATION CONFERENCE

OW211049 Nanjing Jiangsu Provincial Service in Mandarin 1100 GMT 17 Jan 85

[Excerpts] At a provincial CPC Committee meeting on second-stage party rectification work which ended today, it was urged that all efforts should be concentrated to fulfill the task of party rectification for the first and second groups of units within this year.

Attending the meeting were responsible comrades of the provincial CPC Committee, including Han Peixin, Shen Daren, Sun Han, Sun Jiazheng; Tan Kaiyun and Wang Ruojie, responsible persons of the Jiangsu provincial liaison group of the Commission for Guiding Party Rectification of the CPC Central Committee; responsible comrades of the provincial Commission for Guiding Party Rectification; and responsible comrades of the various cities and provincial-level organs concerned.

During the meeting period, Comrade Shen Daren talked on his views concerning the planning work for the second stage of party rectification on behalf of the provincial CPC Committee.

This afternoon Comrade Han Peixin spoke at the meeting. He said, the whole province should grasp five major tasks well. First, grasp the economic work well. Second, carry out the economic structural reform. Third, do a good job in party rectification. Fourth, accelerate the development of intellectual resources. Fifth, further accelerate the building up of the leading groups.

He pointed out that in fulfilling these five tasks, economic work is the central task, party rectification is the motive force, and the other tasks are conditions for fulfilling these tasks.

He urged CPC committees at all levels to strengthen their leadership over party rectification. The No 1 leaders should personally grasp the task of party rectification and fulfill the task with good quality and a high standard in order to fulfill the general target and task of the 12th CPC National Congress and the targets and tasks set by the 7th provincial CPC Congress.

He further urged them to carry out reforms and promote economic development by means of party rectification.

Comrade Han Peixin stressed that the policy of correcting mistakes while carrying out party rectification should run through the entire party rectification period, and that special efforts should be made to correct new unhealthy practices of abusing one's authority to seek personal gain or taking advantage of party rectification to make personal fortunes.

REGISTRATION PHASE BEGUN AT TWO SHANDONG UNITS

SK200538 Jinan Shandong Provincial Service in Mandarin 2300 GMT 19 Jan 85

[Text] In the course of the work of organizational measures and registration of party members, the general office of the provincial CPC Committee and the provincial Discipline Inspection Commission attached importance to ideological education, and strictly followed the standards of party members and the bounds of policies, thus further improving the ideological and political quality of party members, and enhancing their sense of respect for organizations and discipline.

The general office of the provincial CPC Committee and the provincial Discipline Inspection Commission shifted to the phase of organizational measures and registration of party members in late November and early December last year, respectively. Before entering this phase, they conducted ideological mobilization and organized party members to study documents to enhance their understanding of the work of organizational measures and registration of party members and to eliminate their misgivings. After this, they attended to the summing-up of the thinking of party members individually. Then, they conscientiously held meetings of party groups and party branch committees, and congresses, party branches. At the party group meetings, individual party member's thinking was preliminarily examined and opinions for correction were given. At the party branch committee meetings, leaders of the party groups gave reports, the work of registration of party members and the summing-up of every individual party member's thinking were discussed, and application forms for registration of party members were examined. Party members who were allowed to register or to have their registration postponed were examined and opinions in this regard were submitted to party branch congresses for approval. At the party branch congresses, those who were allowed to register read the party member registration application forms they filled out themselves, and then their applications were approved.

Many comrades said that the registration had enabled them to give earnest reports to party organizations, to be strictly examined by party organizations, and to understand themselves anew. The purpose of going through the procedures and raising political awareness was attained.

The general office of the provincial CPC Committee and the provincial Discipline Inspection Commission adopted a resolutely and prudent attitude toward the work of organizational measures, and paid attention to the ideological work. They avoided leftist methods and prevented the tendency of lowering the standards of party members and neglecting principles.

GUANGZHOU PAPER ON DOING WELL IN UNIMPORTANT POSTS

HK220756 Guangzhou YANGCHENG WANBAO in Chinese 17 Jan 85 p 2

[Article by Shang Ziyong: "Liu Bei and Pang Tong"]

[Text] In chapter 57 of "The Three Kingdoms," Pang Tong, an outstandingly talented and capable man who was also nicknamed Mr Phoenix, had come to join Liu Bei, but was appointed head of a small county called Lai Yang. Then comes the story in which Pang Tong behaved badly at first, but later fully displayed his talent and ability to Zhang Fei who was making an inspection tour of the county....

In fact, Pang Tong could have been put in an important position at the very beginning, because he had two powerful letters of recommendation written by Zhuge Liang and Lu Su when he came to join Liu Bei. However, he did not produce the two letters nor did he say anything about them. Why? Pang Tong said: "If I had produced the two letters, it would have meant that I came to join Liu Bei only because I had the two letters of recommendation." Well said! In not producing the letters which could only have won trust for the time being, but showing his excellent ability which would win long-term trust to advance his career, Mr Phoenix' wide range of knowledge and rich experience could clearly be seen. So it is quite natural that in appraising "The Three Kingdoms," Mao Zhonggang praised Pang Tong as being "excellent and dignified," and said: "Nowadays, when people come to join others with letters of recommendation, they always hand over the recommendation letters before they enter the door."

It was Liu Bei who had an incorrect attitude toward Pang Tong who came to join him. He was unhappy when Pang Tong bowed with his hands folded in front for a long time, but did not fall on his knees. It was merely because of the feudal governor's nauseating airs. It is more unfair to judge Pang Tong by his appearance, as in the expression "when seeing the ugly Pang Tong, Liu Bei was unhappy". Some people censured Liu Bei for appointing Pang Tong, a man with great talent and ability, to such an unimportant position. The accusation was not completely right. When he first saw Pang Tong, he had not heard what he had said and had not seen what he had done, nor had he seen any convincing recommendation letters written by well-known people, so how could Liu Bei be sure that Pang Tong was a man with outstanding talent and ability? It was true that Liu Bei had once heard somebody say: "Those two men, Mr Lying Dragon and Mr Phoenix, if you have one of them, you can put the whole country in good order," but hearsay from others is not as good as seeing for oneself. Even on Zhuge Liang, Liu Bei did not completely trust and admire him until his opinion proved to be successful! So Liu Bei should not be blamed for appointing Pang Tong head of Lai Yang County when he did not know enough about Pang Tong's background. What is more, as soon as Liu Bei found that Pang Tong was a man of outstanding talent and ability, he immediately appointed him to an important post, did he not?

Here I cannot help saying a few words about the outstandingly talented and capable Pang Tong's performance in the unimportant post. In Lai Yang County, Pang Tong "did not take care of official business and drank every day, and paid no attention to things like finance, grain, and lawsuits." Naturally, it was not that he purposely made a mess of things in Liu Bei's country, but was part of his plan to "show his talent and ability in a roundabout way." Thus, when Liu Bei heard what Pang Tong had done, he sent Zhang Fei there on an inspection tour. Pang Tong made use of this opportunity to show his ability to "accomplish more than 104 days' work in less than half a day," and proudly asked: "Have I neglected anything?" after he had accomplished his official business. It should be acknowledged that Pang Tong had great talent and strong ability.

But the question: "Have I neglected anything?" must not be followed as an example. Because leaving 100 days' previous work for the last day will surely cause neglect! Taking a "lawsuit" for example, if the accused was an innocent man, he would suffer an injustice for so many days simply because of Pang Tong's "not paying attention to it." In turn, if the accused was really a guilty man, he would evade punishment for so many days because of Pang Tong's "not paying attention to it", would he not? It was utterly unjustifiable for Pang Tong to have delayed official business for over a hundred days, then do it within a day and proudly ask: "Have I neglected anything?".

It was quite common for an outstandingly talented and capable man to be appointed to an unimportant post in the old days, and even today, such things can still be seen. In the old days, people's awareness was low, so "if a man with outstanding talent and ability was appointed to an unimportant post, he would usually indulge himself in drinking to kill time and pay no attention to his official business." People who have outstanding talent and ability today should certainly not follow this example; even though they are in an unimportant post, they should still work hard, and bear in mind that the unimportant post is also part of the revolutionary cause! So long as they conscientiously work and make contributions in unimportant posts, their outstanding talent and ability will sooner or later be discovered and valued. By comparison, Pang Tong's method, which is detrimental to official business, is obviously not acceptable to us.

GUANGZHOU PAPER ON DECISIONMAKING POWER

HK221010 Guangzhou YANGCHENG WANBAO in Chinese 16 Jan 85 p 2

[Special interview on theoretical issues by Lan Guiliang: "Ma Hong, President of the Chinese Academy of Social Sciences, Says That Extending Decisionmaking Power of Enterprises Will Not Lead to Anarchism"]

[Text] At present, restructuring of the urban economy is being carried out in our country. Some comrades ask: Will extension of the decisionmaking power of enterprises lead to anarchism? With this question in mind, on 21 December this reporter had a special interview with Comrade Ma Hong, president of the Chinese Academy of Social Sciences, to obtain his opinions on this issue.

The Principal Question at Present Is To Release Powers to Enterprises

Ma Hong said that the Decision of the CPC Central Committee on Reform of the Economic Structure specifically pointed out that invigorating the large and medium-sized enterprises owned by the whole people is the key to restructuring the national economy with the focus on the urban economy. One of the major policies of invigorating enterprises is precisely to extend the decisionmaking power of enterprises. Not long before the "decision" was promulgated, the State Council established 10 regulations regarding extending the decisionmaking power of enterprises, thus releasing considerable powers to enterprises in the main aspects of operations and management of enterprises such as planning, production, marketing, technological transformation, supply of materials, the personnel system, finance, and so on, which have contributed to the invigoration of enterprises. However, in view of the current situation of the country, these 10 powers have not yet been truly released to enterprises directly involved in production. Enterprises which are truly given these powers are few in number. The principal question at present is not whether anarchy will arise after extending the decisionmaking power of enterprises, but rather, how these powers are truly given to enterprises directly engaged in production. This is the heart of the question.

Where are these powers now? On the one hand they are in the hands of departments concerned of the central authorities, and on the other hand they are in the hands of departments concerned in localities. The central authorities have time and again proposed the separation of government from enterprises, with the good of separating government functions from enterprise functions and separating departmental powers from enterprise powers. After giving up directly administering enterprises, the departments of the central authorities have established many companies which truly have an enterprise nature such as the Anshan, Shoudu, Wuhan, and Baotou iron and steel companies and so on, the No 1 and No 2 car companies, the Beijing Yanshan petrochemical company, the Shanghai Jinshan petrochemical company and so on, are mostly variants of those original administrative organizations. For example, some have turned a big department into several small departments, which is the same as changing a big department into a small department, and some have changed a big administrative bureau into a small bureau, and so on, respectively giving these companies various names and releasing operations and management powers to them instead of releasing these powers directly to enterprises. The functions of these companies do not differ from the functions of the original administrative departments. By being called companies and by using this to fulfill administrative functions, government and enterprises are, in essence, still not separate. Therefore, invigorating enterprises and enlivening enterprises becomes empty talk.

Ma Hong said that the establishment of companies is also possible. However, in this regard, attention must be paid to two points: First, it is necessary to make a company a true economic entity. The relationship between companies and their affiliated enterprises is not the administrative relationship between superiors and inferiors and is not like the previous practice whereby no matter whether the service of companies was good or not, enterprises had to pay companies management expenses just the same. Instead, it is a service and an economic relationship. The existence of companies is to serve production enterprise units. If they do not solve problems for production enterprises, there is no need for them to exist. Second, the affiliated enterprises of companies should have the freedom to join and to quit and possess considerably large decisionmaking power; when companies do not render enterprises good service, enterprises are free to quit. Only in this way can the previous malpractices be overcome and enterprises and enterprise-like companies have vitality and true vigor.

The Reasons Why Extending the Decisionmaking Power of Enterprises Will Not Lead to Anarchism

In regard to the question of whether or not the extension of the decisionmaking power of enterprises will lead to anarchism, Ma Hong said that after the decisionmaking powers of enterprises are extended, competition will be carried out among enterprises. This is advantageous to breaking blockades and monopolies hindering the development of production, promptly exposing defects of enterprises, and promoting progress in technology and improvement in the operations and management of enterprises. Meanwhile, it is possible that in some areas negative phenomena and illegal acts might arise, or even that some blind things might be produced. But, generally speaking, anarchy will not arise. There are four reasons for this:

First, after the extension of decisionmaking power, all the economic activities of the enterprises will be carried out under state policies and decrees. If enterprises conduct any illegal acts, the state will intervene or even punish them. This is quite obvious.

Second, our country is practicing a planned commodity economy. In addition to carrying out mandatory planning regarding those products that involve the national economy and the people's livelihood and the most important economic activities, the state sets out guidance plans regarding the rest and exercises regulation at all times in the aspects of tax revenue, prices, and interest rates to ensure the realization of these guidance plans. By so doing, the regulation by market mechanism will not break away from the track of the state planned economy.

Third, the reform of economic structure is carried out with plans and steps both steadily and surely. Since the 3d Plenary Session of the 11th CPC Central Committee, the important reason the reform of the economic structure in our country, with the system of contracted responsibilities with payment linked to output as its starting point, has scored remarkable achievements is that we have upheld seeking truth from facts, and proceeded from rural areas to urban areas, from collective-owned enterprises to whole people-owned enterprises, from small enterprises to big enterprises, from the means of subsistence to the means of production, from coastal areas to inland areas, and in coastal areas from newly-developed cities (like Shenzhen) to older cities, from top to bottom, from the easy to the difficult, and so on. We have done this with plans and steps and have resolutely guarded against and overcome those previous practices of raising a hue and cry rushing headlong into mass action, or seeking uniformity, with the result that our reform of the economic structure is being carried out steadily and healthily.

Fourth, ideological and political work is upheld. This is a very important aspect. Some problems emerging from the extension of the decisionmaking power of enterprises should be solved through ideological and political work for carrying out education, in addition to being solved through policies and laws and decrees. The good should be praised, the bad should be criticized, and the illegal should be punished.

Ma Hong said that we should, as a matter of course, pay attention to anarchy which would possibly arise from the extension of the decisionmaking power of enterprises. However, we should pay more attention to the practices of being overcautious, not daring to let go, tying up enterprises, and failing to invigorate enterprises as a result of fears and worries about the problems that might arise. The key to our current reform of the economic structure lies in acting according to the laws of the planned commodity economy of socialism and truly releasing powers to enterprises so as to invigorate and enliven enterprises.

HUNAN LEADER ON AGRICULTURAL 'CENTRAL DOCUMENT'

HK190631 Changsha Hunan Provincial Service in Mandarin 1100 GMT 18 Jan 85

[Text] On the morning of 17 January, Vice Governor Cao Wenju said at the provincial rural work conference: This is the province's rural economic work tasks are to seriously implement the central policies on further invigorating the rural economy, be still more bold in opening up to the world and in enlivening the domestic economy, and give free rein to readjusting the production mix and to developing commodity production. Total agricultural output value should rise by over 10 percent, and average per-capita net income by over 50 yuan. Average per-capita net income throughout the province should exceed 400 yuan.

Comrade Cao Wenju said: The new central regulations on further invigorating the rural economy, which represent a new breakthrough in rural economic policies, include three major points: 1) There will be no mandatory planning in agricultural production, and guidance planning will only go down to the counties, not to the producers. 2) Reform the unified purchase and assignment system for agricultural products. Apart from grain and cotton, for which contract procurement will be practiced, market procurement will be practiced for all products. 3) The entire price reform will begin with the rural areas and with agricultural products. This will give new vitality to the rural economy and to all sectors and trades in the national economy. We must seriously study and appreciate the spiritual essence of the document.

Comrade Cao Wenju said: We must perfect the agricultural production responsibility systems in accordance with the spirit of the central document. He said: The great majority of places in the provinces are now implementing responsibility systems in field cultivation. However, there is still a lot of work to do regarding responsibility systems for mountain forests, aquiculture, and township enterprises. It is essential to proceed from reality in hurrying to make up for the missed lesson.

Comrade Cao Wenju said: We must give free rein to readjusting the rural production mix. This is an urgent and also a long-term task. We must be clear on this guiding ideology. The general principle for the work is to act in light of local conditions, seek truth from facts, stress strong points and avoid weak ones, take advantage of local superior features, and stress good results in accordance with the demands of commodity production and to meet market needs. We must truly succeed in focusing on agriculture, forestry, fisheries, or animal husbandry, as dictated by local conditions, and base all our work on local realities.

Comrade Cao Wenju said: Seriously implementing the central policy regulations on further invigorating the rural economy is the guarantee for fulfilling the rural economic tasks. We must get a good grasp of the following points: 1) Seriously introduce the contract procurement system for agricultural and sideline products. 2) State-owned commerce must play the role of the main channel. 3) Apart from enjoying full production and operational decisionmaking powers, the peasants should also have full decisionmaking powers in transport and sales. 4) Reform the tax links in agricultural products. 5) The transport of all agricultural and sideline products is no longer to be limited by sectoral divisions of products. The transport departments must provide support in all cases. 6) The cities must open their doors and welcome the peasants to come in and work in commerce and develop secondary and tertiary industry.

In accordance with the spirit of the central document, we must also vigorously develop township enterprises and household industry, speed up the construction of small towns, enliven rural operations, grasp the building of the science and technology force, actively help with the transformation of poor areas, and continue to get a good grasp of planned parenthood work.

SICHUAN CPC FORUM ON SECOND-STAGE RECTIFICATION

HK161208 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 15 Jan 85

[Text] According to SICHUAN RIBAO, from 10 to 13 January, the party Rectification Guidance Group of the provincial CPC Committee held a forum in Chengdu on second-stage rectification to convey and implement the spirit of the forum held by the Office of the Party Rectification Guidance Committee of the CPC Central Committee and to hold serious discussions on second-stage rectification in the province.

All the participating comrades studied an important speech by Comrade Bo Yibo, exchanged information and experiences, clarified several problems to which attention should be paid in second-stage rectification, and fully understood the importance of second-stage rectification.

Second-stage rectification is being carried in some 5,100 units in the province, involving some 670,000 party members. These units play an important linking role in all fronts. All units carrying out party rectification must seriously and properly fulfill the task of party rectification, clarify the problems which should be resolved in second-stage rectification, use practical and flexible working methods, arrange party rectification work by proceeding from reality, conduct education in thoroughly negating the Cultural Revolution, carry out rectification and correction of defects from beginning to end, properly build the leading bodies, reorganize leading bodies in the whole course of party rectification, strengthen the building of the third echelon, and vigorously strengthen the leadership over party rectification.

In his speech Nie Ronggui, responsible person of the party rectification guidance group of the provincial CPC Committee, stressed that the second-stage rectification should be carried out better and in a shorter time.

SICHUAN CPC URGES STUDY ON URBAN REFORM

HK220401 Chengdu Sichuan Provincial Service in Mandarin 2300 GMT 20 Jan 85

[Text] The provincial CPC Committee recently issued a circular on deeply studying the "Decision of the CPC Central Committee on Reform of the Economic Structure," calling on CPC committees at all levels and all cadres to make efforts to firmly and properly grasp the study of the decision in the same way that they have grasped the discussion on the criterion for truth and the study of the "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC."

The circular pointed out that earnestly studying the decision and completely and deeply understanding the essence of the decision is of great importance to the reform of the province's economic structure, to the creation of a new situation in four modernizations construction, and to the target of people becoming rich. In the course of study, it is necessary to lay emphasis on earnestly reading the decision, completely understanding the essence of the decision, and selectively holding discussions on some special subjects.

The circular stressed that while studying the decision, it is necessary to link theory with practice, and link study with investigation and research. The circular also demanded that CPC committees at all levels give more guidance on the study so as to achieve effective results.

HEBEI LAUNCHES 2D STAGE OF PARTY RECTIFICATION

HK180339 Shijiazhuang Hebei Provincial Service in Mandarin 2300 GMT 10 Jan 85

[Excerpts] According to HEBEI RIBAO, the liaison groups dispatched by the provincial CPC Committee for second-stage party rectification have arrived in various prefectures and cities.

From 4 to 9 January, the members of the liaison groups gathered together for studying. At the beginning of the study meeting, Xie Feng, secretary of the provincial CPC Committee, made a speech. In the morning of 8 January, Xing Chongzhi, secretary of the provincial CPC Committee, delivered a speech on behalf of the provincial CPC Committee at the meeting attended by the whole staff of liaison groups, heads of various prefectural and city CPC committees offices for party rectification, as well as responsible comrades from departments and bureaus directly under the provincial authorities, who have been assigned second-stage party rectification work.

Comrade Xing Chongzhi first talked about the progress of party rectification work across the province. He said: Among the organs directly under the provincial authorities and those directly under Shijiazhuang Prefecture and Handan City, which have carried out the first-stage party rectification, most of them had accomplished tasks of taking disciplinary measures and registering party members by the end of last year. Presently, they are examining the results and summing up experiences, which is expected to be completed in January. This party rectification has been carried out strictly in accordance with the party rectification decision. Through the concerted efforts of various parties, we have solved many major problems concerning ideology, work style, organization, and discipline. Consequently, we have improved the quality of party members, as well as the prestige of the party among the masses. Also, we have found the correct methods and experience in strengthening the building of the party, as well as settling contradictions within the party in the new situation. Though there are a few units whose results of party rectification are not satisfactory, and which still have quite a number of problems, particularly in readjusting leading groups, the one year and more party rectification work has, generally speaking, developed healthily and has achieved remarkable successes. Both the policy and method are correct. Therefore, we should fully affirm this.

Comrade Xing Chongzhi said: The first-stage party rectification work, which involves various prefectural and city organs, universities, colleges, and large factories and mines, was started on a full scale in early- and mid-November last year in accordance with the plan of the provincial CPC Committee. In connection with the spirit of the instruction of Central Commission for Guiding Party Rectification, the provincial CPC Committee Group for Guiding Party Rectification has decided to readjust appropriately the schedule for the second-stage work. Generally speaking, the prefectural and city organs will spend 6 to 8 months on the work; whereas other units will spend about 6 months on it. Units at and above county level will complete the work by the end of this year.

On issues which should be emphatically solved in the second-stage party rectification, Comrade Xing Chongzhi pointed out: In the second-stage party rectification, we must continue to implement the decisions of the CPC Central Committee as well as the instructions of Central Commission for Guiding Party Rectification. We must do well in every ideological task assigned through the party rectification decisions. We must make various party rectification tasks closely center around the party's general task and general goal in the new period, so that we can take the overall situation into consideration while focusing on the key points. In particular, we must attach importance to settling the following issues:

First, we should further rectify the professional guiding ideology, and should further the economy and reforms in a more conscious and favorable way.

Second, we should do well in the education of totally negating the Cultural Revolution.

Third, we should resolutely check the malpractices which have emerged in the new situation. Presently, when we implement on a full scale the economic structural reform, some units and individuals take this opportunity to take advantage of their office for personal gain. By exploiting the advantage, they arbitrarily give bonuses or payment in kind, increase wages, entertain guests, present gifts, increase prices, receive bribes, speculate in state materials. Through various means, they also seek advantage for individuals or small groups at the expenses of the state and collectives. Some of them have made a fortune out of this. In the course of party rectification, various units must heighten their consciousness of waging struggle against malpractices which have emerged in the new situation. These units must also seriously eliminate and rectify the malpractice.

Fourth, in connection with the standards of the four transformations of cadres, we should readjust the leading groups. The crux of party rectification is to settle problems in the leading groups. Units which carry out the second-stage party rectification work should, right at the start, pay attention to examining and training the leading groups. The units should seriously do well in weeding out [qing li] the people of three categories, as well as building the third echelon.

Fifth, we should firmly grasp the key link of ideological education. We should improve the political consciousness of the broad party members.

Comrade Xing Chongzhi also put forward requirements for the major tasks, work methods and the building of the liaison groups for party rectification work.

BU HE ADDRESSES NEI MONGGOL GOVERNMENT MEETING

SK171400 Hohhot Nei Monggol Regional Service in Mandarin 1100 GMT 16 Jan 85

[Text] In his speech to the regional People's Government plenum on the morning of 15 January, Bu He, chairman of the regional People's Government, called on leading organs to intensify study, improve work style, deeply promote the reform, and strive to serve production and grassroots units and to make the state strong and the people rich.

Comrade Bu He said: Along with the ceaseless development of the reform of the economic structure, leaders and cadres at all levels should intensify study, have a study habit of [words indistinct] and form an effective study system. Through studies, all departments should correct their ideology for professional work.

With regard to further enlivening the economy in rural and pastoral areas, Comrade Bu He said: Our region's commodity production is not flourishing. We should pay attention to readjusting and reforming the industrial structure. Our region has advantages in animal husbandry. While developing animal husbandry, we should develop the processing industry with regard to livestock products in order to further rationalize the industrial structure and to double the economic results. All relevant departments should make contributions to the reform of the urban and rural economic structures. In order to double the economic results, we should not only rely on funds but also depend on good policies, reform, and the initiative of the masses.

Comrade Bu He urged government organs to conscientiously serve production and the grassroots units and to make the country strong and the people rich.

We should change the situation of the enterprises obeying the organs' instructions into a situation of organs serving the enterprises. All departments, bureaus, commissions, and offices under the regional People's Government should conscientiously conduct study in order to work out feasible measures and make good preparations for this change.

Comrade Bu He stressed: Leading organs at all levels should change their leadership style to suit the needs of reform and to promote the reform. We should be mobilized to reduce excess documents and meetings. With regard to the exchange of experiences, we do not have to issue documents or hold meetings. We may make a statement in the newspaper and on the radio to commend the advanced. We should make efforts to hold few or no commemorative meetings.

Leaders should have time to go deep into grassroots units to conduct investigations and studies to solve the problems in reform. The departments, bureaus, commissions, and offices should get in touch with each other, be cooperative, try every means possible to reduce [words indistinct], simplify the government institutions, and delegate powers to lower levels. Leading organs must put policies into practice ahead of others and play an exemplary role.

TIANJIN ARRANGES DISCIPLINE INSPECTION TASKS

SK220939 Tianjin TIANJIN RIBAO in Chinese 22 Dec 84 p 1

[Excerpts] From 17 to 19 December, the municipal Discipline Inspection Commission held a conference of discipline inspection work. The conference studied and discussed the related documents issued by the central authorities and the spirit of the fourth plenum of the Central Discipline Inspection Commission. It also studied the measures for implementing these documents and spirit and made arrangements for the municipal discipline inspection work at present.

At the conference, Zhang Zaiwang, deputy secretary of the municipal CPC Committee, delivered a speech. Tan Songping, secretary of the municipal Discipline Inspection Commission, delivered a report on strictly enforcing the party's discipline and bringing about an obvious turn for the better in party style so as to ensure the smooth progress in conducting reforms among economic systems. Attending the conference were responsible persons from the departments under the municipal CPC Committee; inspection groups under the municipal Discipline Inspection Commission and from the discipline inspection commissions of various districts, counties, and bureaus.

The conference held that, since early 1984, the municipality had scored marked achievements in economic work by implementing the decision on party rectification and the guideline of conducting reforms and enforcing the open-door policy. It has achieved marked results in the work of straightening out party style. A situation under which the entire party is engaging in improving party style has gradually taken shape. Thus, the municipality has brought about a basic turn for the better in party style. However, some new problems have cropped up, such as bringing about damage to the interest of the state and the people by taking advantage of conducting reforms among economic systems in order to enliven the economy. These problems about which the people have a lot of strong complaints can be summarized into the following three categories: 1) Some party and government organs, mass organizations, and official personnel have engaged in business by taking advantage of power to illegally buy up goods in short supply and resell them at profits or to speculate in markets. 2) Taking advantage of conducting reforms, they have raised prices arbitrarily and brought about damage to the transformation drive and to the interests of the state and consumers. 3) The malpractice of extravagantly entertaining guests and presenting gifts by using public funds, which were blocked in the past, have gained ground again and have nursed a tendency to spread; and the malpractice of creating difficulties for others by taking advantage of power has not been totally eliminated.

Therefore, the task of straightening out party style in the upcoming period is still heavy.

The conference pointed out: Current attention should be paid to grasping well the following tasks: We should upgrade our understanding and enable the CPC committees to view as an important mission the work of ensuring the smooth progress of conducting reforms among economic systems. We should discern the work of conducting reforms among economic systems as an important task imposed on the entire party and as a big event affecting the situation as a whole. We should understand well that the problems cropping up in the principles of party spirit and the party's discipline cannot be improved by "relaxing power" and that without a good party style it is impossible to do a good job in conducting reforms. The discipline inspection commissions at all levels should "discuss big events, know well the situation as a whole, and take charge of professions in which they are experts". They should study the new situation, adapt themselves to the new situation and should strengthen their discipline inspection work so as to ensure the implementation of a series of principles and policies issued by the party in conducting reforms among economic systems. They should also help the CPC committees closely integrate the party rectification work with their own and integrate economic construction with the transformation of economic systems so as to continuously and vigorously straighten out party style and to enable a good party style to ensure the smooth progress of conducting reforms and enable the transformation drive to achieve a further turn for the better in party style.

The conference urged party organizations at all levels to attach importance to the work of straightening out party style, to further improve responsibility systems, and to enable the practical result scored in improving party style to be an important yardstick in measuring the achievements scored by party organizations and party-member leading cadres in the party rectification drive.

In his speech, Comrade Zhang Zaiwang spoke glowingly of the prevailing excellent situation in the field of politics and the economy, under which the entire party and country are studying and implementing the party's decision adopted at the 3d Plenary Session of the 12th CPC Central Committee. He expounded and analyzed the issue of how to correctly understand that our country's socialist economy represents the commodity economy that has developed on the basis of public ownership and in a planned manner, and also elucidated the relationship between the task of conducting reforms and enforcing the open-door policy and the importance of a good party style.

GANSU FORUM ON SECOND-STAGE PARTY RECTIFICATION

HK190601 Lanzhou Gansu Provincial Service in Mandarin 2300 GMT 18 Jan 85

[Excerpts] In order to implement the spirit of the forum convened by the general office of the Central Commission for Guiding Party Rectification and do a good job of second-stage party rectification in Gansu, the provincial CPC Committee's leadership group for party rectification held a forum on second-stage rectification work from 16 to 18 January. The forum seriously implemented the spirit of the forum of the Central Commission for Guiding Party Rectification, studied Comrade Bo Yibo's important speech, and discussed and exchanged information and experiences regarding the study phase of party rectification. The participants put forward very good views and suggestions on making a success of second-stage party rectification. Comrade Liu Bing, deputy secretary of the provincial CPC Committee, spoke at the conclusion of the forum.

In accordance with the spirit of the forum of the Central Commission for Guiding Party Rectification, the provincial CPC Committee's leadership group for party rectification put forward a number of work items to be currently grasped in second-stage rectification.

1. Seriously carry out education in totally negating the Cultural Revolution. Two points should be grasped in connection with reality. First, the education should be linked to outstanding problems during the Cultural Revolution in the areas and units. Second, the education must be linked to the manifestations of leftist influences and vestiges of the Cultural Revolution in present life and work. The education must be done thoroughly.
2. Party rectification must spur reform and the economy.
3. Get a good grasp of checking on and verifying the people of three categories. The leaders of all areas and units must personally tackle this work. It is necessary to augment and strengthen the force engaged in this work. A deadline must be set for thoroughly investigating problems that have not yet been investigated.
4. Step up investigation and study and seriously deal with unhealthy trends that have emerged in the new situation. The party organizations at all levels must dare to tackle tough problems regarding such trends. Forces must be organized to carry out investigation and study.
5. Actively train and build the third echelon and do a good job in examining and readjusting the leadership groups. Building of the third echelon must be speeded up and its quality assured. We must pay attention to solving problems of leadership groups which are lax and weak and unable to shoulder the task of party rectification.
6. Tangibly strengthen leadership and do second-stage party rectification work in a creative way.

SIX NINGXIA SENIOR OFFICIALS VOLUNTEER TO RESIGN

OW200839 Beijing XINHUA in English 0825 GMT 20 Jan 85

[Text] Yinchuan, January 20 (XINHUA) -- Six senior officials of the Ningxia Hui Autonomous Region yesterday resigned to make way for younger people. Their resignations were accepted by special meetings of the region's People's Congress Standing Committee and Political Consultative Conference.

The six officials who volunteered to leave their posts are Wang Jinzhang, chairman of the region's Political Consultative Conference; Jin Sanshou and Yang Zhengxi, vice-chairmen of the conference; Yu Da and Gao Yizhi, members of the Standing Committee of the conference; and Zhang Junxian, vice-chairman of the regional People's Congress Standing Committee.

All six joined the Chinese Communist Party in the late 1920s or early 30s. After reading a recent speech by Deng Xiaoping, chairman of the Communist Party Central Advisory Commission, calling for veteran cadres to make way for younger people, they decided to resign.

Forty-nine officials work in the Communist Party Committee, the party Advisory Commission, the Standing Committee of the People's Congress, the People's Government and the Political Consultative Conference of Ningxia, and half of them are over 60. The average age of cadres working in the region's party committee and government is now under 60, following the promotion of more young people in the past two years. The average age of people working in the other three regional organs will be lowered by 4.1 years when the six senior officials give up their positions.

"The country is striving to realize the four modernizations and a large number of young and able people are needed. Many senior leaders in the party's Central Committee have volunteered to leave their posts so that people in the prime of life can take over. They set a fine example for us. Since I am old and sick, I have decided to resign before my term is over. By resigning, I am also making my contribution to the country," said Wang Jinzhang in his resignation. All six officials said they were willing to remain in the northwest to write their memoirs or investigate the problems of minority ethnic groups.

QINGHAI LEADERS ATTEND JOURNALISTS' MEETING

HK181434 Xining Qinghai Provincial Service in Mandarin 1100 GMT 17 Jan 85

[Text] The provincial meeting on commending outstanding journalists was held in Xining yesterday. The meeting commended 23 outstanding journalists from all journalistic units in the province.

Provincial party, government, and Army leaders Huang Jingbo, Ma Wanli, Zhang Guosheng, Song Lin, Xie Quanwei, (Shen Ling) and Qiang Jianhua attended the meeting to extend congratulations. They also awarded certificates of merit and trophies to the outstanding journalists.

Provincial CPC Committee Secretary Zhao Haifeng wrote a congratulatory letter to the meeting from the hospital where he is staying. On behalf of the provincial CPC Committee, he extended warm congratulations to all the outstanding journalists and conveyed his cordial regards to all journalists in the province.

The letter says: Journalism is very important work of the party. Over the past 30-odd years, the journalists of the province and the journalists sent by the central journalistic units to Qinghai have achieved marked results. Since the 3d Plenary Session of the 11th CPC Central Committee in particular, journalists have done quite a lot in actively propagating the party's line, principles and policies; the important speeches by Hu Yaobang and other central leading comrades on making determined efforts to exploit Qinghai and the strategic decisions on developing the northwest; and the new changes, experiences, and achievements in the province's reforms and economic construction. All this has played an important role in emancipating people's minds, promoting reforms, enhancing the people's morale, strengthening unity, and speeding up the exploitation of Qinghai.

The letter demanded that all journalists become pacesetters who are determined to carry out reforms and march forward so as to make more contributions in the new year.

Huang Jingbo, secretary of the provincial CPC Committee and provincial governor, delivered a speech at the meeting.

On behalf of the provincial government and the 7 million people in the province, he extended congratulations to the meeting and conveyed cordial regards to the journalists who have made contributions to building the two civilizations in the province.

In his speech Comrade Huang Jingbo reviewed the achievements the province has made on all fronts over the past year, made an analysis of the existing problems and difficulties, and looked forward to the bright prospects for exploiting Qinghai.

He said: The situation was good for the province in 1984. However, some problems and difficulties still exist. He demanded that the journalists must first arouse people's confidence in exploiting Qinghai, more extensively and effectively propagate Qinghai so as to change people's bad impression of Qinghai and help the people in the province to unify their thinking and actions. Provided the people in the province have unified ideas, make concerted efforts, properly carry out work, and bring in foreign funds and talented people, our Qinghai Province will certainly achieve a great transformation.

All the 200-odd journalists attending the meeting were deeply moved by the provincial governor's sincere words and earnest wishes and gave him long, warm applause.

Zhang Guosheng, chairman of the provincial Advisory Committee, and (Zhang Shanglin), director of the Propaganda Department of the provincial CPC Committee, also delivered speeches at the meeting. Comrades from the provincial and Xining City theatrical circles gave performances to add to the festivities.

XINJIANG UNIVERSITY STUDENTS MUST DO SOME LABOR

HK200636 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 19 Jan 85

[Station commentary: "University Students Must Take Part in a Certain Amount of Productive Labor"]

[Excerpts] Since the 3d Plenary Session of the 11th CPC Central Committee, the institutes of higher education in Xinjiang have corrected the Cultural Revolution defect of neglecting theoretical teaching and one-sidedly stressing labor, and have set up a stable teaching order which has improved the quality of the universities. However, due to factors in understanding and in arranging teaching plans, a situation has arisen in some colleges where no or too little time is arranged for the students to take part in labor. Some students have a poor concept of labor and a weak idea of practical study.

Organizing the university students to take part in a certain amount of labor is an indispensable and important link in attaining the goals of training in socialist universities. It is also an important way to give the students ideological education. We should include productive labor in the teaching plans.

TZU LI WAN PAO COMMENTS ON MURDER OF HENRY LIU

OW222240 Taipei TZU Li WAN PAO in Chinese 17 Jan 85 p 1

[Editorial: "Our View on the Intelligence Bureau Personnel's Involvement in the Murder of Chiang Nan"]

[Text] Chang King-yuh, director general of the Government Information Office, has confirmed that personnel of the Intelligence Bureau of the Ministry of National Defense were involved in the murder of Liu I-liang (Chiang Nan); and that the government, in addition to handing the implicated personnel over to military judicial organs to be handled according to law, has set up an ad hoc group to shake up the Intelligence Bureau.

The government's approach of "not to dodge" this thorny case is a responsible attitude. It is also a sensible way of guarding our national interests from being further jeopardized.

It is reported that, in addition to Chen Hu-men, other Intelligence Bureau personnel are also involved in the murder of Chiang Nan, only their names have not yet been made public. Since the government has decided "not to dodge" the case, we hope that it will also "not hide" anything from the public in the investigation of the case.

According to UPI, President Chiang Ching-kuo has ordered a "thorough investigation of the case, leaving no stone unturned, no one spared no matter what his rank, and will make public the full facts when the investigation is complete." This is the most proper approach for government authorities in handling this case. It is hoped that personnel responsible for investigating the case will understand this solemn instruction and investigate the case thoroughly in order to clarify matters for the public and remove any skepticism.

In fact, we have no other choice under such circumstances. This is a major case having an important bearing on our national interests and the government's credibility. Should the government fail to understand this and try to cover up the facts, no matter how small they may be, still greater harm could be done to the government's image and the people's confidence.

Authorities and leaders concerned have repeatedly stressed that the involvement of intelligence personnel in the murder case was totally a case of malfeasance among certain individuals. We hate to be skeptical, but even if this is true, it shows that there are serious problems regarding the Intelligence Bureau's conduct, discipline, and institutional setup. If these problems are not completely corrected they will likely give rise to more lawlessness in the future. While no other intelligence and security unit has yet been discovered to have had similar misconducts, their conduct, discipline, and institutional setup should also be examined and corrected so that any erroneous idea can be checked at the outset. Now that the government has set up an ad hoc group, its target of investigation should not be limited to the Intelligence Bureau, but should extend to other security organs, and its scope of rectification should also be extended to other areas, such as the competence of their staff, their ways of collecting and analyzing information, the conduct of their operations, how their decisions are made, and so forth.

Three and a half years ago, owing to the insufficiency of the Taiwan Garrison Command in working out a well-planned process of interviewing Chen Wen-cheng, his death caused serious damage to our national interests and government prestige. The involvement of intelligence personnel in the death of Chiang Nan this time has caused even more serious damage to the state and the government.

We hope government authorities will, with the greatest resolve, thoroughly examine the operational system of our intelligence and security departments and the conduct of their staff, so that similar unfortunate incidents which sadden our friends and gladden our enemy will never happen again.

The shake-up of our intelligence and security organs should begin with drawing a line of demarcation between intelligence and security personnel and society's bad elements. Mr Chiang Ching-kuo, chairman of the Chinese Kuomintang, sadly pointed out at a meeting of the Standing Committee of the KMT Central Committee: "I learned not long ago that several gang leaders tried to establish ties with government authorities by means of dinner parties. They have recorded everything of those parties, including when they had dinners with ranking government officials, who was invited, where the parties took place, and who were the other guests, and so forth. This was done with a motive. Those parties are meant to be a loop, a trap." The involvement of intelligence personnel in Chiang Nan's death had everything to do with such dinner parties, and the reason why these personnel chose to socialize with "gang leaders" was because they did not draw a line of demarcation between themselves and the gang leaders, thinking that their association with the gang leaders was primarily out of "professional necessity" of using them as "informants."

Intelligence and security organs should draw a lesson from the incident and take resolute actions to draw a line of demarcation between themselves and the gang leaders. They should never again rely on these people to collect information, lest they should fall into their "trap."

GOVERNMENT SOURCE CLAIMS LIU TAIWAN AGENT

HK221240 Hong Kong AFP in English 1224 GMT 22 Jan 85

[Text] Taipei, Jan 22 (AFP) -- The murder of dissident Chinese-American author Henry Liu, which involved nationalist intelligence agents, today took a new twist with a government source saying that he was an agent for Taiwan.

The source also said that he might have been a triple agent also working for China and for the United States, although there was no indication that this had anything to do with his murder October 15 in Daly City, California.

"We can only confirm that he was an agent for Taiwan Government but it doesn't prove that he was murdered because he was working as an agent for us," said the source. He said the author's criticisms of Taipei provided a cover for his intelligence activities.

The source, who requested anonymity, added a new name to the list of intelligence officials detained in connection with the murder: Major General Hu Yi-min, a deputy director of the Military Intelligence Bureau.

Vice Admiral Wong Hsi-ling, Intelligence Bureau director, has been detained for questioning and relieved of his duties while Colonel Chen Hu-men, another senior intelligence official, was among several other people arrested.

Last week Taiwan admitted that U.S. investigators had found a direct link between one suspected killer and Colonel Chen Hu-men. The suspect, Chen Chi-li, an alleged leader of the Bamboo Union crime syndicate in Taiwan, is under arrest.

Two U.S. Federal Bureau of Investigation (FBI) men and policeman from Daly City were to arrive here today to investigate the murder, government spokesman Chang King-yuh said. He identified the policeman as Thomas Reese but refused to identify the FBI men or give other details.

The disclosure that Mr. Liu was a Taiwan agent followed an unsourced report in the U.S. magazine NEWSWEEK that the writer worked for the FBI compiling files on Chinese-Americans in the United States. Mr. Liu's wife, who had called his murder a political assassination prompted by his opposition to the government, denied Sunday that her husband had links with the FBI. Mr Liu was killed after he wrote a critical biography of Taiwan President Chiang Ching-kuo.

FOREIGN TRADE INCREASES TO RECORD IN 1984

OW230217 Taipei International Service in English 0100 GMT 21 Jan 85

[Text] According to official statistics, the Republic of China's foreign trade hit a record of 52.42 billion U.S. dollars last year, increasing by 7.81 billion U.S. dollars, or 15.4 percent, over the 1983 level.

The statistics, released by the Directorate General of Budget, Accounting, and Statistics, show that the two-way trade in the Republic of China resulted in a surplus of 8.49 billion U.S. dollars, up from 4.84 billion U.S. dollars in 1983. Exports for 1984 reached 30.46 billion U.S. dollars, up by 5.33 billion U.S. dollars or 21.2 percent from that registered in 1983, and imports were 21.96 billion U.S. dollars, up by 1.68 billion U.S. dollars or 8.3 percent.

Exports Up

OW221141 Taipei CNA in English 0952 GMT 22 Jan 85

[Text] Taipei, Jan. 22 (CNA) -- The Republic of China registered an export boom last year worth over U.S. dlrs 31.6 billion, representing an increase of U.S. dlrs 5.95 billion or 23.17 percent from 1983, officials of the Ministry of Economic Affairs said Tuesday.

The officials added that orders placed by foreign buyers dropped considerably in the last two months in 1984. They predicted a milder export growth this year and called on local manufacturers and exporters to be aware of such development.

Export growth for electronic products last year hit 44.43 percent, worth U.S. dlrs 5.37 billion. Textile products saw a record growth of 46.55 percent, worth U.S. dlrs 2.33 billion, according to statistics released by the Ministry of Economic Affairs.

MING PAO CITES YANG SHANGKUN ON RECTIFICATION

HK230306 Hong Kong MING PAO in Chinese 23 Jan 85 p 5

["Special Dispatch" from Beijing: "Pernicious Influence of Leftism in Army Still Not Eliminated; Second-Stage Party Rectification Extremely Complex"]

[Text] Pernicious leftist influence has still not been eliminated in the Army, and the work of eliminating it will be continued in the second-stage party rectification units; "no matter what, we cannot indulge in 'leftist' stuff." This was emphatically stressed recently by Yang Shangkun, vice chairman of the Central Military Commission.

Yang Shangkun said on 12 January when meeting members of the second-stage party rectification investigation and study groups dispatched by the all-Army party rectification office: In common with the first stage, second-stage party rectification mainly relies on the leadership of the party committees of the large units, and is also a form of bringing order out of chaos. The lesson of "kicking aside the party committees to make revolution" during the Cultural Revolution is very serious. Therefore, it is essential to stress relying on the leadership of the party committees at all levels throughout this party rectification.

Yang Shangkun pointed out that during the first-stage party rectification in the Army, the Central Military Commission dispatched liaison personnel and mainly relied on the leadership of the party committees of the units concerned; in the second-stage party rectification, the commission is dispatching investigation and study groups and again mainly relying on the leadership of the party committees of the units concerned. There must be no ambiguity on this point. There was no great confusion during first-stage party rectification, and moreover there were some gains. This was because, first, guidance was provided by the correct principles and policies of the central authorities; second, reliance was placed on the leadership of the party committees of the large units in implementing the central decision and instructions on party rectification; and third, the liaison personnel promptly found out the situation.

He said: On their missions this time, the investigation and study groups may encounter problems not encountered in the first-stage party rectification units. This is because there are many units of many different types in the second stage, covering a broad field; these are close to the grassroots, and their conditions are highly complex. In particular, the make-up of the party members in the second-stage rectification units is very different from that in the first stage; many of the leading cadres joined the Army after the 1950's, and a large proportion of the party members there joined the party during the Cultural Revolution. The problems of the effects of the Cultural Revolution and of ultraleftism are rather conspicuous.

In his speech Yang Shangkun cited a number of situations in support of his demand for continued elimination of the pernicious influence of leftism and his view that ultra-leftism must no longer be pursued. For instance, some people in the Army say that "this party rectification does not satisfy our craving," precisely because they want to carry out "mass criticism to clear the way," hold criticism and struggle rallies, topple a number of people and have them wear tall hats and be jet-planed [reference to a form of Cultural Revolution torture].

The vice chairman of the Central Military Commission emphasized: We must absolutely not repeat the painful lesson of "a campaign in the first year and rehabilitation in the second," or satisfy the demands of those so-called "cravings"; we cannot submit to this pressure. Things get bad if there is a craving.

The main reason why first-stage party rectification was relatively steady was that the leaders of these large units had all suffered from ultraleftism and deeply felt the pain of it. In second-stage party rectification, the party committees at all levels must pay particular attention to this: No matter what, we must not indulge in any more ultraleftist stuff; no matter what, we must seek truth from facts.

According to our information, the CPC committees of the military districts are currently compiling and applying the experiences of first-stage party rectification to guide the second stage. For instance, the CPC Committee of Guangxi Military District has applied the method used in the first stage of discarding ultraleftism; in view of the ideas of some people that first-stage party rectification was "insipid" and the second stage cannot solve any major problems either, it has launched all the party members to make an analysis to understand that problems were solved in first-stage rectification without resort to ultraleftism and without harming people. Having seen the advantages of this, their confidence in making a success of second-stage party rectification has been strengthened.

XU JIATUN COMMENTS ON LAW DRAFTING COMMITTEE

HK180541 Hong Kong SOUTH CHINA MORNING POST in English 18 Jan 85 p 1

[By Terry Cheng]

[Text] China's chief representative in Hong Kong yesterday confirmed the basic law drafting committee will be set up after the National People's Congress meeting in March.

Mr Xu Jiatusun, director of the local branch of the NEW CHINA NEWS AGENCY, said the composition of the committee has not yet been decided. He was speaking at a reception staged by cultural and trade delegations from Qinghai Province.

Mr Xu was non-committal on when the local advisory committee on the basic law will be set up.

But a pro-Peking magazine says it will be established in the second half of this year. WIDE ANGLE magazine, in its latest issue published yesterday, said the composition of the drafting committee will be decided after the NPC meeting in March.

Hong Kong representatives will comprise between 20 and 25 percent of the committee's members, it said. This supports earlier reports on the membership issue.

The magazine quoted senior Chinese leader Mr Chen Yun as saying Peking should not gain at the expense of Hong Kong. China should defend and support Hong Kong, he was reported to have said.

WIDE ANGLE said the Hong Kong Government will not become a "lame duck" administration.

China is now undertaking an in-depth study of plans for the transition period, as well as for Taiwan's reunification with the mainland, it said.

The magazine said Britain has made it clear to Peking that administrative reforms in Hong Kong will proceed step by step.

It said changes in the timetable for reforms were evident in the Green Paper and White Paper on representative government.

The magazine said Ms Deng Yingchao, widow of Prime Minister Chou En-lai and chairman of the Chinese People's Political Consultative Conference, in her recent meeting with Mr Xu in Shunchun, said China has to implement the agreement in an exemplary fashion.

CHING PAO ARTICLE VIEWS OPPOSITION TO LEFTISM

HK180324 Hong Kong CHING PAO in Chinese No 90, 10 Jan 85 pp 6-8

[Article by Chao Lu: "No Ideological Education for 3 years; the First Instance of Opposition to Leftism in Literature and Art Circles -- The Inside Story of How Deng Xiaoping and Hu Yaobang Straightened Out the Orientation" -- written on 20 December 1984]

[Text] As the festive season of Christmas and the New Year drew closer, I rushed to Shenzhen to sign three contracts for my company within 2 days so that I could spend my vacation with no worries. When I was about to leave for Hong Kong, I happened to meet two old friends of literature and art and theoretical circles who were on a tour to study Shenzhen.

As Confucius said: It is delightful to have friends coming from distant quarters'. Taking advantage of this rare opportunity, the three of us went to have dinner at Xiang Jiang Restaurant. We opened a bottle of brandy and began to talk excitedly. I heard many stories from them which people abroad might wish to know. I note here only the part of our conversation that I think may interest our readers.

No Ideological Education for 3 Years

I began the conversation. I asked them: "As both of you come from the capital, you must be well informed. What have you heard recently?"

Mr H, who is engaged in theoretical work, began to talk: "It is said that our revered Comrade Deng recently wrote a comment on a document: There will be absolutely no ideological education for the next 3 years. We must note two words in his comment -- 'absolutely' and 'no' -- which means ideological education is to be abandoned. This is really a bold idea. No leader has suggested any idea similar to this before."

"Suppose there is no ideological education for 3 years. Are you sure that no ideological educational drive will be launched 3 years later?" I asked as I pursued the subject.

"As the saying goes: 'Both the numerals three and nine imply endless.' 'Three' means a large number here. 'Three years' of course denotes a very long period!" Mr H answered humorously.

I believe that education remains a magic weapon of the CPC. It will be really surprising if the CPC gives up ideological education.

Having sensed my doubt, Mr H began to explain with fervor and assurance: "To clarify, we must start from the so-called 'elimination of spiritual pollution' launched last year. Deng Xiaoping suggested at a meeting the necessity of preventing spiritual pollution in the course of the implementation of the open-door policy. This remark was used by those ultraleftists who have persistently drawn people's attention to some negative phenomena emerging after the implementation of the open-door policy and to the shortcomings and errors in a small number of literary works. These have been exaggerated and labelled a serious erroneous tendency, and they have even 'made reports based on rumors,' thus vigorously launching the drive of 'elimination of spiritual pollution.' Some local cadres have even seized this opportunity to make a big fuss. The drive was launched on a broad scope and turned out to be a more leftist one at the lower levels. As a result, people were scared out of their wits, as if 'a second Cultural Revolution had been launched.' "People in China then became worried about the future of the nation and foreign friends became puzzled by this unexpected drive in the country. Many foreign businessmen who were ready to invest and start business in China considered withdrawal.

"Fortunately, Hu Yaobang and Deng Xiaoping discovered the problem in good time. They immediately instructed checks on the drive, thus saving the nation from further 'turmoil.' It is reported that Deng Xiaoping himself admitted later that he had almost been fooled."

"Who could have almost fooled him?" I asked.

Readers Admire Wang Ruoshui

"Continue to listen and you will hear the story." Mr H said: "The first ideologist attacked in the drive of 'elimination of spiritual pollution' was Wang Ruoshui, deputy chief editor of RENMIN RIBAO. Wang is well-known for his 'dauntlessness' in theoretical circles. Back in the period when the gang of four was in power, he was ruthlessly persecuted because he boldly put forth a slogan contrary to that of Mao Zedong (Mao held that it was necessary to criticize rightist tendencies, whereas Wang held that it was necessary to criticize ultraleftist tendencies.) Wang did not yield to pressure. Since the smashing of the gang of four, he has been supporting and publicizing the pragmatic line, siding with Deng and Hu, and upholding the viewpoint that 'practice is the sole criterion to justify truth.' Therefore, ultraleftists and members of other factions deeply hate him.

"As soon as the drive of 'elimination of spiritual pollution' began, the ultraleftist faction first turned on Wang Ruoshui, attacking his theory on humanism [ren dao zhu yi 0086 6670 0031 5030] and alienation.

"Security was tightened at RENMIN RIBAO headquarters on the day Hu Qiaomu went there to announce the resignation of Hu Jiwei as director of the newspaper and the removal of Wang Ruoshui as deputy chief editor. The announcement caused a strong reaction.

"However, the majority of readers supported Hu Jiwei and Wang Ruoshui. After the removal of Hu and Wang, RENMIN RIBAO received letters from many readers praising their achievements. The newly appointed RENMIN RIBAO director, Qin Chuan, is also an enlightened figure. After Wang Ruoshui was removed from his post, Qin Chuan instructed his subordinates: 'Do not remove anything in Wang Ruoshui's office. Do not remove his telephone. Offer him a car if he needs one. All terms of emolument for him must remain unchanged.' Therefore, although Wang Ruoshui is not in the post, he still can stay in his office and continue his writing. Readers visiting Beijing from other places often call him, extending their regards and wishing him 'good health.'

"Many young people very much admire Wang Ruoshui's 'dauntless' spirit in upholding truth. They express their feelings toward this philosopher in various ways. It is said that once, when Wang Ruoshui was lining up in a market to buy vegetables, a young assistant who happened to recognize him pulled him to the front and let him buy first. As Wang was about to refuse the offer, the shop assistant said: 'You should never have wasted your time buying vegetables here. You should save your time to write more articles. We like to read your articles very much because what you say is convincing.' Some people even visited the Wang family and voluntarily helped Wang do some housework without telling him their names. That really moved Wang's elderly mother."

Wang Ruoshui's Article To Defend Himself Has Caused Him Much Trouble

Mr H took a sip of brandy and continued: "Hu Qiaomu published a theoretical article entitled 'On Humanism and Alienation' in RENMIN RIBAO on 27 January 1984 to criticize Wang Ruoshui. This article was also published separately by the People's Publishing House, with a printing of more than 20 million copies distributed to every cadre from the central level through the local level (both party-member and nonparty-member cadres). Everybody including cadres working abroad, was required to study the article.

"Hu Qiaomu intended to show his magnanimity with his article, declaring that he 'sincerely welcomes those comrades who do not agree with the basic viewpoints of his talk to join the debate.' So Wang Ruoshui sent out a 40,000-character rebuttal for publication. However, someone instructed that Wang's article only be published in ZHIXUE YANJIU [PHILOSOPHICAL STUDIES]. Wang was, of course, not happy with this arrangement. He said: 'Do not treat my rebuttal as purely academic. This is not a theoretical debate in general. My article should be allowed to be published in major newspapers.'"

At this point I chipped in: "In the middle of the year, I read an article by Wang Ruoshui (editor's note: The article was entitled: 'My Opinions on the Issue of Humanism') in a Hong Kong monthly (editor's note: CHING PAO). This article created a furor. Is this the one you are mentioning?"

Mr H replied: "Yes, that is exactly the article I mean. ZHIXUE YANJIU did not publish that article after all. It was said that someone sent it to Hong Kong for publication. In my opinion, it does not matter where an article on theoretical studies like that is published since it discloses no state secrets."

"Oh no!" I said: "On the contrary. Overseas readers feel that the CPC has become more enlightened recently since they have read this article published in Hong Kong."

"However, this really caused Wang Ruoshui trouble." Mr H sighed: "This episode has caused him much trouble. He was strictly interrogated. But actually he was not involved in the matter, so the case ended up with nothing definite."

"Wang Ruoshui has always advocated theoretical studies in the search after truth and therefore a serious and conscientious attitude in these studies. He holds that arbitrarily changing one's stand to cater to practical needs should not be done. He is the only theoretician who has not publicly made a self-criticism in the 'elimination of spiritual pollution' drive (according to certain sources, Wang only made a 'self-criticism' within the party, mainly admitting that he 'had a very poor sense of discipline,' and 'had said on certain occasions something improper to his status as a party member')."

"How are Hu Jiwei and Wang Ruoshui doing at the moment?"

Mr H said: "It was reported some time ago that Hu Jiwei had been entrusted with the essential task of being in charge of the formulation of the first 'law on journalism' of New China, and was recently elected chairman of the China Federation of Journalism Societies. Wang Ruoshui is still engaged in his theoretical studies."

"The 'elimination of spiritual pollution' drive was a farce. The director of this farce had an axe to grind when he launched the drive, but faced problems later. Fortunately, Deng Xiaoping and Hu Yaobang discovered the problem and checked the drive in good time. Otherwise, the consequences would have been too ghastly to contemplate."

The First Chance for Literature and Art Circles To Oppose Leftism

"Can we say this farce is over?" I asked.

"I am afraid not, for the leftist influence still exists." Mr A, who is engaged in literary work, could no longer keep silent. After a pause for a few seconds, he asked me privately: "Did you notice a news item carried on the front page of RENMIN RIBAO on 18 September 1984 reporting a forum on arts and literature convened by the CPC Central Committee Propaganda Department? Both Xi Zhongxun and Hu Qili attended this forum, at which an important speech by Hu Yaobang was conveyed."

Doubting his words, I said: "Hong Kong people usually pay little attention to any meeting held on the mainland. It seems to me that some Hong Kong newspapers did briefly cover the forum you have just mentioned. But I see no importance in this news item."

"You are wrong, sir." Mr A spoke seriously: "This was an epoch-making meeting for the literature and art circles. Hu Yaobang solemnly announced that the current task before them was to oppose leftism. In these circles, the anti-rightist drive has been carried on and constantly escalated since liberation, from the criticism against 'The Biography of Wu Xun' and 'The Secret History of the Qing Court,' to the criticism against Yu Pingbo's views on the study of 'A Dream of Red Mansion,' to the anti-rightist struggle in 1957 and the Cultural Revolution. The open-door policy has been endorsed since the 3d Plenary Session of the 11th CPC Central Committee and the anti-leftist struggle has been launched on all fronts except in literature and art circles, which continue to take an anti-rightist stand, first criticizing 'Unrequited Love' and then launching the 'elimination of spiritual pollution' drive. Therefore, Hu Yaobang formally put forth that it is necessary to oppose 'leftism' in literature and art circles. This is indeed an act of extraordinary significance."

What Mr A said seemed interesting. I began to listen attentively.

Mr A went on: "Hu Yaobang pointed out that it is necessary to concentrate our efforts on overcoming and preventing the 'leftist influence' at present in implementing the policy on literature and art work. One must, on the one hand, be brave in and adept at persuading and educating those who are vulnerable to the erroneous tendencies which may possibly emerge in the development of ideological trends of art and literature, in artistic and literary works, and in other fields; and, on the other hand, prevent the practices of doing things in an oversimplified and crude way and arbitrarily attaching labels to others. It is necessary to resolutely get rid of the erroneous practices of 'taking class struggle as the key link' and 'opening the way by grand criticism,' which have been prevalent in the past."

Deng Xiaoping and Hu Yaobang Have Turned the Tide

At this point, Mr A lowered his voice and said: "I'll just say one thing -- this forum was in fact a 'clandestine meeting'!"

I was really shocked to hear this. I thought I must have misunderstood him. "How could a meeting in which so many central leaders participated be a 'clandestine meeting'?"

After a pause, Mr A said: "This meeting was convened by the CPC Central Committee Propaganda Department, and was originally aimed at opposing rightism. At the CPPCC National Committee meeting held in May 1984, eight CPPCC National Committee members from literature and art circles were reported to have jointly submitted to the meeting a 2,000-character motion sharply criticizing the so-called slogan of 'elimination of spiritual pollution,' saying it is not based on scientific views and would cause shame to the Chinese, the CPC, and China. The motion argued that any healthy man has the ability to resist pollution, and those who call for 'elimination of spiritual pollution' just show that they lack self-confidence. Furthermore, the CPC in particular should not be afraid of pollution because the party itself was founded and has grown up in the most polluted place (Shanghai) of the country."

"It was said that Hu Qiaomu lost his temper upon reading this motion. He held that rightism remains a problem in literature and circles. It is likely that the forum of literature and art circles convened by Deng Liqun had something to do with this motion, for some participants in the forum attacked the motion without clearly referring to it."

"The organizers carefully selected 50 people to participate in the forum. Take the XX association as an example: Only one secretary from its party committee attended the forum, and the four other secretaries had never been informed of the forum. The forum was secretly held at Jingxi Guesthouse and the participants were strictly prohibited from disclosing any information. For this reason, some people in Beijing called this forum a 100-percent 'clandestine meeting.'

"A large-scale drive to 'eliminate pollution' and oppose rightism was originally scheduled to be launched after the forum. However, Deng Xiaoping called the organizers of the forum to report the progress of the meeting to him the day after the opening of the forum and firmly criticized them for failing to report their plan in advance. Hu Yaobang personally took part in straightening out the orientation of the forum and criticized Deng Liqun for his role in this case. Hu Qiaomu admitted that he himself was responsible for the mistake. Then the CPC central authorities reset an anti-leftist orientation for the forum and sent Xi Zhongxun and Hu Qili to keep the forum on the right track and make good preparations for the fifth national congress of artistic and literary workers. The forum conveyed Hu Yaobang's directive demanding that literature and art circles oppose leftism and stipulating that the fifth national congress of artistic and literary workers be a meeting to vigorously enhance morale, promote extensive unity, and bring about prosperity. He Jingzhi delivered a closing speech at the closing session of the forum, as scheduled, in the presence of Hu Qili, who was there to make sure that He Jingzhi would not say anything wrong or miss any point in his speech."

Xiang Nan Was Investigated for His Speech

"In other words, this forum was designed to oppose rightism at the very beginning but was switched to opposing leftism later. Am I correct?" I asked.

Mr A smiled and answered: "Completely right. There is still another piece of news: Xiang Nan, first secretary of the Fujian Provincial CPC Committee, said at an awards ceremony in Fujian in July that it is necessary to oppose leftism in literature and art and theatrical circles. Both XINHUA NEWS AGENCY and RENMIN RIBAO carried this news. It was said that He Jingzhi later made a phone call to find out had prompted Xiang Nan to make such a statement. Moreover, the CPC Central Committee Propaganda Department instructed all subordinate associations not to spread in literature and art circles any opinion voiced by local leaders."

"It appears necessary to make further efforts in order to eliminate the pernicious ultraleftist influence."

"Yes, the 'leftist' ideology has deeply and seriously influenced the literature and art front for a long time. A comrade in the CPC Central Committee once pointed out that it was an expression of 'leftist' ideology to exaggerate to an unreasonable degree the function and especially the negative effects of arts and literature. There is no case of a country having been destroyed by arts and literature in either Chinese or world history. On the other hand, the central authorities have repeatedly emphasized that it is not allowed to bludgeon or attach labels to others. But now some people hold a whip in their hands. Although the whip has not really struck any victim, it is brandished over people's heads, making a threatening noise. This is a trick called 'waving the whip as a warning!'"

Mr H, Mr A, and I held an animated conversation as we ate. We were so excited that we were reluctant to leave even after we had drunk a whole bottle of brandy. Finally, we toasted the timely termination of the "elimination of spiritual pollution" drive and the launching of the drive against leftism in literature and art circles. I expect more good news from my old friends when we meet next time.

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